

COUNCIL MEETING

JUNE 10, 2014

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Jay Furfaro at the Council Chambers, 4396 Rice Street, Room 201, Līhu'e, Kaua'i, on Tuesday, June 10, 2014 at 9:10 a.m., after which the following members answered the call of the roll:

Honorable Tim Bynum (*excused at 1:48 p.m.*)
Honorable Mason K. Chock, Sr.
Honorable Gary L. Hooser
Honorable Ross Kagawa
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Jay Furfaro (*excused at 1:48 p.m.*)

Chair Furfaro:

May I ask for an approval of the agenda?

APPROVAL OF AGENDA.

Mr. Rapozo moved for approval of the agenda as circulated, seconded by Ms. Yukimura, and unanimously carried.

Chair Furfaro: Thank you. I believe we will have the Smith Dawson & Andrews, Inc. group here this morning, as well as the request by Councilmember Yukimura to address a Charter Commission piece. Other than that, we will be in the normal order as posted on the agenda today. Can we please read the Public Comment portion?

PUBLIC COMMENT.

Pursuant to Council Rule 13(e), members of the public shall be allowed a total of eighteen (18) minutes on a first come, first served basis to speak on any agenda item. Each speaker shall be limited to three (3) minutes at the discretion of the Chair to discuss the agenda item and shall not be allowed additional time to speak during the meeting. This rule is designed to accommodate those who cannot be present throughout the meeting to speak when the agenda items are heard. After the conclusion of the eighteen (18) minutes, other members of the public shall be allowed to speak pursuant to Council Rule 12(e).

RICKY WATANABE, County Clerk: No one signed up to speak, Chair.

Chair Furfaro: Okay. Seeing no one, we will go ahead and move on to the next item, please.

There being no one to provide public comment, the meeting proceeded as follows:

MINUTES of the following meeting of the Council:

May 14, 2014 Council Meeting

May 14, 2014 Public Hearing re: Resolution No. 2014-22

May 21, 2014 Special Council Meeting

May 21, 2014 Public Hearing re: C 2014-134

May 28, 2014 Public Hearing re: Resolution No. 2014-27,
Resolution No. 2014-29, Draft 1, and Bill No. 2544

Mr. Kagawa moved to approve the Minutes as circulated, seconded by Mr. Rapozo, and unanimously carried.

Chair Furfaro: Thank you.

Mr. Watanabe: Chair, we have two items on the Consent Calendar.

Chair Furfaro: Okay.

CONSENT CALENDAR:

C 2014-171 Communication (05/20/2014) from Council Chair Furfaro and Councilmember Rapozo, transmitting for Council consideration, a Resolution Proposing A Charter Amendment Relating To Any County Council Vacancy In Office: Mr. Kagawa moved to receive C 2014-171 for the record, seconded by Mr. Rapozo, and unanimously carried.

C 2014-172 Communication (05/23/2014) from the Director of Finance, transmitting for Council information, the Third Quarter Estimate of Revenues and Expenditures: Mr. Kagawa moved to receive C 2014-172 for the record, seconded by Mr. Rapozo, and unanimously carried.

Chair Furfaro: Cyndi, I would like to call you up so you can introduce our visitors. May I just take a moment to ask, Mr. Downs, I assume you are here for the water safety donations? Okay, we will take that up second if you do not mind. Very good.

There being no objections, C 2014-177 was taken out of the order.

COMMUNICATIONS:

C 2014-177 Communication (05/27/2014) from the Mayor, requesting agenda time for two (2) members from Smith Dawson & Andrews, Inc., President James Smith and Senior Legislative Associate Mary Cronin, to present a recap of the services and activities they provided to the County during the past year as part of their professional services contract: Mr. Rapozo moved to receive C 2014-177 for the record, seconded by Ms. Yukimura.

Chair Furfaro: Based on that motion, Mary and James, welcome. We will ask you to introduce yourselves and we will give Cyndi the floor. Cyndi, this is a message from the Mayor to us.

There being no objections, the rules were suspended.

CYNDI AYONON, Administrative Aide to the Mayor: Thank you, Council Chair and Councilmembers. It is my pleasure to be here before you this morning and present to you our Washington, D.C. Consultants who have been assisting the County of Kaua'i Administration, as well as our Council, in looking for guidance as far as legislative issues, grant opportunities in congress, and working closely with our Hawai'i Delegation and their offices there also. It is my pleasure to introduce Mary Cronin. You have met her. She is a Senior Legislative Associate with Smith Dawson & Andrews. Our special guest today is James Smith, the President of Smith Dawson & Andrews from Washington, D.C. Thank you.

Chair Furfaro:

Aloha and welcome.

JAMES SMITH, President of Smith Dawson & Andrews, Inc.: *Aloha* and good morning, Mr. Chairman and Members of the Council. It is a pleasure and honor to be here today. As Cyndi noted, I am joined today by my colleague, Mary Cronin, and I would like to correct for the record that her proper title is "Managing Director" of Smith Dawson & Andrews. As you may know, Mary has been here a number of times in the two (2) years that we have represented your County. In fact, I believe it is her fourth visit and I should note that is part of our commitment to engage locally with all of you; the Administration and members of the County staff, so that we have a full understanding and appreciation of the needs and priorities of your government. I am pleased to say that this is my first visit to Kaua'i. Mary was out here last year with one of other colleagues. I have to say that I am duly impressed with both the beauty and breath of your island. You have a very, very beautiful place; obviously one of the most beautiful places in the world, but you also are blessed with a very great group of people, community, government, and many, many resources to support that. I wanted to take a few minutes today just to talk about some of the things that are going on in Washington, D.C., with respect to the Congress and the Obama Administration. I will then turn it over to Mary, who will give you a more detailed report on our activities and accomplishments in the last year. I should also point out that there is a written report that I think is before you that summarizes many of those activities.

In Washington, of course, this is an election year. That is no surprise to anyone. Normally in an election year, it is very difficult to accomplish much in the Legislature. That is true to a certain extent now in Congress. However, Congress has come together this year on a couple of very major issues, not the least of which was the budget back in December. Congress and the Administration reach agreement on a two-year budget, which is the first time they have done that in many years. While it was not a significant increase in Federal spending, for the most part, many of the domestic discretionary programs that matter to local governments held their own and remained constant. What the two-year budget has done is enabled Congress to move forward with regular order on the appropriations bills. As we speak, Congress is in the process of marking up, approving, reporting out, and voting on those bills in both the House and Senate. Those bills will fund the government for the next fiscal year beginning on October 1st. We have seen a number of programs protected in the actions that have taken place to-date, specifically in the area of transportation. The Transportation Investment Generating Economic Recovery (TIGER) Program, which I know is something that the County is looking at for a potential project down the road, was funded again both in the House at a reduced level, but in the Senate at a constant level. That is a very good thing. There have also been accomplishments in other areas. In the area of water resources, Congress has passed the first Water Resources Development Act in about five (5) years. As a matter of fact, it was signed into law yesterday by the

President. That is a program that provides funding to the Corps of Engineers for flood control projects for flood control mitigation for water resources development and for environmental restoration. I am sure that there are many issues and projects of interest in this area on the island and that was given a two-year authorization, so now we will be able to work with the Corps to move forward in that area.

Being an election year, there are a lot of intrigue and interest in what is going to happen in November. Obviously, the Congress is now split with the Republicans controlling the House of Representatives and the Democrats with a thin majority in the United States Senate. The Senate is very much in play. It remains to be seen what the outcome of the November election is going to be. But suffice to say that the Democrats are defending about twice as many seats as the Republicans are this year, so there is a very good possibility that the Republicans could take control of the Senate after November. That would have a major impact on what the President is able to do in his final two (2) years, so we are watching that very closely and we will be working with the County and the Administration to make whatever appropriate changes in our strategy that are necessary. We have had a very good two (2) years and I might add that we are very grateful for the opportunity to represent Kaua'i in Washington, D.C. We have had a great relationship with the Administration, County staff, and with you. I know many of you are familiar with Mary. Mary is going to give you a little more detail and summary of what we have reported and on our activities going forward. We would be happy to take any questions that any of you might have.

MARY CRONIN, Managing Director of Smith Dawson & Andrews, Inc.:
Thank you, Jim and Cyndi. Thank you, Council Chair and Councilmembers. I did provide you with a written report and I am not going to go into quite the level of detail in the report. I think I can summarize that in brief. I would like to say that if you have any questions about any of the legislation that we just mentioned, or any other topics of interest to you, please ask us about it. We are happy to provide more detail. I would like to tell you a little bit about where we have come and the progress and successes that we have been able to achieve the last two (2) years, just so that you can have a sense of the process and the types of services that we have been able to provide and the lessons that we have learned, not only us, but also, I think, within each of the County Departments.

When we started this process two (2) years ago, we provided each one of the County Departments with grant opportunities as they pertain to the priorities of the County, both the Holo Holo 2020 projects and other projects that the County Departments were lacking in resources and were looking for opportunities for either Federal partnerships, grants, or potentially even loan programs. On an annual basis for the last two (2) years, we have been distributing to each County Department whatever opportunities we find that we feel best align. Every Friday, and perhaps you have seen it, we do send out a weekly update which includes bills status, hearings, legislative updates, and grants that come out during that week. But in addition to that, I also make sure that I individually route all of those grants to the individual departments with a recommendation for what program or what project I think might best align. I have really been able to establish a really solid working relationship with each one of the departments and they actually do give me a call and talk to me almost on a weekly, biweekly, or monthly basis just to check in and see if I might know of any opportunities or if we might be able to provide any additional support. That has really developed over the last two (2) years and that

has been a product of being here in person, meeting one-on-one with each one of the departments, either heads or other designated staff.

As we started the process two (2) years ago, we had not really identified specific projects that aligned with grants. So now we have gotten to the point in the second year where we were really able to take it that next step and align those projects with actual grants. We applied for six (6) grants and we have been awarded four (4) of those six (6) grants; one, we did not receive and one is still pending. The total amounts of those grant opportunities amounts to about two million ninety thousand dollars (\$2,090,000), I believe. Last year, when we talked about some of those grants, one of them was a Federal Emergency Management Agency (FEMA) Staffing for Adequate Fire and Emergency Response Grants (SAFER) hiring grant for the Fire Department to be able to hire some new positions. They were unsuccessful prior to working with us before our contract, and what we suggested was taking them in to FEMA and talking with them about what they could do to improve their grant, should they elect to reapply. That was where things stood when I was here a year ago, and shortly after I was here, they did reapply, using those recommendations from the agency that we had helped them to receive and they were successful and they successfully received seven hundred forty-four thousand dollars (\$744,000). Additionally, the Police Department utilized our services and I should add that we also worked very closely with the Congressional Delegation to keep them up to speed on exactly what the County is interested in applying for and why is this important, and we draft letters of support and then they get the letters of support to the secretary or whomever would be designated. When the Police Department came to us and said, "There are two (2) grants that we are interested in. Can you help us?" So we actually revised their grant applications to make sure that we were addressing all of the criteria and that we were most effectively communicating. We also solicited the letters of support. I think everyone from the Congressional Delegation supported that grant. It was very well written, very well received, and that was awarded, amounting in seven hundred fifty thousand dollars (\$750,000) for six (6) new positions for a new beat. The grant that was not awarded was a safety grant and I think the project was not necessarily the best fit for that grant program, which we had discussed and since that grant program has changed a little bit, so there may be some other opportunities for funding coming down the road that might address the need for that particular program that was not funded. I would say getting four (4) out of six (6) is excellent and waiting on the sixth one— that one is pending. It should be announced in the end of August or early September, and that is the Native Hawaiian Education grant through the United States Department of Education.

We really have been developing those relationships and I did mention there was one other— there was a technical assistance grant through Housing and Urban Development (HUD) for green housing and six (6) days of technical assistance, and also Assistance to Firefighters Grant (AFG) for equipment through FEMA, which amounted to four hundred forty thousand dollars (\$440,000). We continue to emphasize that there are a lot of grant opportunities. We are seeing a lot of the same programs coming out on an annual basis out of the departments and out of the Federal agencies. There are minor changes to them, so we are monitoring all of that. We continue to meet with the departments and listen to them, hear what their needs are, and continue to focus on those grants. We have been talking with the Public Works Department about applying for this TIGER grant, as Jim had alluded to, and we have come a long way because we had initially, roughly four or five ideas, which after two (2) years, we have been able to hone down to one, which we think is a really excellent multi-modal, TIGER appropriate project. We are in

the process of putting together some succinct materials for the United States Department of Transportation to talk with them this summer about what we can do to improve the project and potentially apply for a planning grant for that project. We expect that there will be another round of TIGER announced early next year, perhaps as early as January, so we want to be a little bit ahead of the game now that we are ready to apply for something like that. Probably not going to be ready to go to construction, but if we could get a planning grant, then we could potentially utilize that to be able to apply to go to construction for the next round of TIGER, should there be one, and we anticipate there will.

Working one-on-one with staff within the departments has been a lesson learned here that is really an effective tool and effectively enabled us to acquire those Federal grant opportunities and we continue to do that. It is amazing how much staff has learned about what they need to do in order to apply for some of these grants. They do not just want to go ahead and just write a grant just to write a grant. It really needs to be focused, comprehensive, and well written and also the funding, the local match needs to be there and the other types of criteria. That is what I will say about the Federal grant opportunities, but I also wanted to talk a little bit about the policy side of things and some of the information that we have been able to provide to the Congressional Delegation. For example, on appropriations, since there are no earmarks, as you know, and we continue to seek discretionary funds; we would like to be able to direct some report language within the appropriation bills that would benefit the County so that maybe Counties could be eligible for more of these grants and there might be specific language in a particular grant or program that might align with one of the criteria or one of the needs of the County. We have been talking with the Congressional Delegation about how we can continue to try to do some of those things. We have provided the County with our sort of "top ten list" of Federal programs that we would like to see funded at specific levels, which is very helpful for all the Delegation when they are making the decisions on how they want to fund Community Development Block Grant (CDBG) or how they want to fund (inaudible) TIGER. Those are just some of the examples.

We have also accompanied the Mayor when he has been in Washington and he was here in January. We scheduled meetings with the Congressional Delegation and, of course, some of the Federal agencies where the Mayor's priorities are, including transit hub project, which is the potential TIGER grant, an adolescent treatment center, and the landfill, as well as the Lima Ola 'Ele'ele Housing Project. Those are some of the big projects that he is pushing to look for some Federal funds for amongst the Federal agencies. We actually had a snow day. We had a snowstorm the day that he was in town, so the Federal government was closed, and we were able to bring the entire Congressional Delegation to a meeting with him on a day when they were actually not required to be in the office. We were also able to make up the Federal agency visits, so we had a productive meeting. We also met with National Oceanic and Atmospheric Association (NOAA) about the humpback whale sanctuary. Maintaining those relationships with those Federal agencies is also vitally important, as is continuing to work with the State and local level in support in some of these projects. We are actually going to be accompanying the Mayor to the Hawai'i State Association of Counties (HSAC) conference this week, so hopefully we will be able to see some of you there and engage in some dialogue.

Another issue that came up this year that we worked on closely was liaising with the Federal Aviation Administration (FAA) on the proposed landfill site and the issue about birds being so close to the airport. There is a concern that if you are

within five (5) miles or if you are within six (6) miles, there are different regulations that you should take some mitigative tactics or approaches to your landfill. In many cases, it is to put the landfill outside of that radius. We utilized our contacts within the FAA to work through this issue and rather than them coming back to us and saying that we absolutely think you do not comply here and we do not support this initiative, they basically came back and said, "Well, we think that there are some things that we could do," and they recommended working with the State Department of Transportation and the local FAA Administrator here in Hawai'i. That was the most positive outcome we could have hoped for. We did work hard on that. I guess I have also included a number of other types of legislative efforts that we have taken to address some of the issues here on Kaua'i and I have included those in the report summary that you have in front of you. But I would just say that we really enjoyed working with the County over the last couple of years. We have seen a tremendous amount of progress, particularly in the Federal grant opportunities and pursuing those and being successful. We continue to pursue those and to encourage staff to look at everything that is out there because there is a lot of money out there. Even with the rollout of the Affordable Care Act, we are seeing a lot more opportunities in the health and human services arena and particularly dealing with healthy communities and disease prevention. So all good things, I think, coming out of Washington on the discretionary side and we just have to keep moving forward.

Mr. Smith: I would like to just echo what Mary has just said in this era of the earmark prohibition. There still is major, major assistance available for local governments out of Washington and the Federal government, but you have to work a little harder, you have to be more organized, you have to be strategic, and you have to follow through. It is not like the good old days when you could go to your Delegation and they could just write it into the appropriations bill. I think that is what we have demonstrated in the last two (2) years in working with the County, that we have been strategic, organized, and we have been successful and I think we will continue to be in the future. Thank you very much and we would be happy to take any questions.

Chair Furfaro: Thank you. Mr. Bynum, you have the floor.

Mr. Bynum: Thank you very much for the presentation. I am going to start with what you just said about the wildlife mitigation. You said that we have successfully resolved this issue with the FAA?

Ms. Cronin: No, it has not been resolved, but at least we know that there is an opportunity to work with them to resolve it, rather than them closing the door on it.

Mr. Smith: I think what they have done is, rather than come back and say "no," they have come back and said, "We are willing to work with you."

Mr. Bynum: Okay. So your role was helping to bring players together?

Mr. Smith: We worked with the FAA for more than thirty (30) years and we have got a number of very good relationships within the FAA, so we initially went to the FAA in Washington, made the presentation, and asked them to be flexible. The response that we got was positive. So it is now in

the hands of the FAA Regional Office and the State, but we have a commitment from Washington to try to work through the issues.

Mr. Bynum: Was our Congressional Delegation in on this loop and discussion as well?

Ms. Smith: Yes.

Mr. Bynum: So like Senator Schatz?

Mr. Smith: Yes.

Mr. Bynum: Okay. You mentioned two (2) bills that passed, that finally, we got a Transportation Bill for two (2) years. What was the other bill that you mentioned?

Ms. Cronin: The Water Resources Development Act.

Mr. Bynum: Okay. What is the status of the Farm Bill?

Mr. Smith: The Farm Bill passed.

Mr. Bynum: We are a farm community, so can you tell us what opportunities are in the Farm Bill and what your agency has been working on relating to farm-related funding?

Mr. Smith: Well, that is a very good question. Congress did pass the Farm Bill in December. It is a five-year Bill. It expired, as you know. It is a good Bill. I think there are many opportunities there for Kaua'i, both in terms of local farming, community assistance, rural development, and the role of utility administration administers a number of programs that I think would be of assistance. We have not had a specific request yet from the County in that area.

Mr. Bynum: Consider the request made.

Mr. Smith: We will consider the request made.

Mr. Bynum: We have limited time, so I was going to try to fire some questions. Does your firm have expertise in this Farm Bill and can you assist us with this?

Mr. Smith: Yes. We work with a number of rural communities around the State, not so much in the commodities area, but more in terms of rural economic development and we have worked closely with the Rural Utility Service (RUS), so we would be in a position to provide assistance.

Mr. Bynum: For the public, "RUS" stands for?

Mr. Smith: The "Rural Utility Service."

Mr. Bynum: Okay. What about the Natural Resources Conservation Service (NRCS)? Do they have grants available for small farmers as well?

Ms. Cronin: They do. In fact, they had a new farmer/rancher program that was announced this Spring, just within the last couple of months, which we did forward out to the Mayor's Office. There is also the Specialty Crop Block Grant Program, a healthy food financing initiative, themed nutrition grants, and a lot that came out of the Farm Bill that was included in...

Mr. Bynum: Well, our Office of Economic Development has been doing studies about how to assist the market and farming, and we just got a report last week. Has there been a request from the Administration to look at grant opportunities related to farm and all of the ones that you just mentioned?

Mr. Smith: We will definitely follow through with them and see if...

Mr. Bynum: The question is has there been any request to this point?

Ms. Cronin: There has not been any request, but we have provided Federal grants that came out the Farm Bill. There were opportunities that arose from the Farm Bill legislation that were just announced within the last month or so and some of them have not been announced just yet. There are others that were new. There was a child obesity grant that came out of the Farm Bill. There are a couple of other healthy food initiative type programs and these are things that we have provided to the County. But no one has showed any interest in actually going after those, but it could be for other reasons that there is no interest. It might be that they did not meet the requirements or have the local-match.

Mr. Bynum: Okay. I will move on with my questions. Our understanding of our relationship with your firm is that it is a joint relationship with the Administration and Council, and that you also can and will respond to requests from the Council. Is that correct?

Ms. Cronin: That is absolutely correct, yes.

Mr. Bynum: So I will take responsibility for not engaging. I do receive the updates and I am familiar with a lot of these things and so I would appreciate an update on what opportunities are available to us at the County level and local farmer level because it is many levels as I understand, particularly from the NRCS because I understand that we have had substantial funding from them in the past and I want to know about any obstacles there might be to that funding currently. Is that the appropriate kind of thing to request of you?

Mr. Smith: Yes, absolutely.

Mr. Bynum: Okay. Is your funding sufficient to respond to these inquiries from the Council, as well as the Administration?

Mr. Smith: Well, it is more efficient for us if it is channeled through the Mayor's Office, rather than responding to a lot of different people. But we will absolutely respond and provide that information.

Mr. Bynum: I totally agree with that. We have staff assigned to collaborate with Cyndi, so there is no criticism there. It is just about available resources because I do not know that Councilmembers— I have not

certainly exercised that prerogative and be in the communication with you as much as I would like going forward. We do have that system and you are absolutely correct. We do not want you to be answering independently to a bunch of voices.

Mr. Smith: We do represent the entire County.

Mr. Bynum: Right. I just want to clarify that. In your view, if you got additional request, like the one I am giving you now, about an overview of the Farm Bill with some specifics, it is going to get a little more detailed about some of the grants I have heard about.

Ms. Cronin: Sure...

Mr. Bynum: That is an appropriate kind of request.

Ms. Cronin: Absolutely.

Mr. Bynum: Not necessarily on the Council floor, but through memos and stuff.

Ms. Cronin: Absolutely. When the Farm Bill was passed, we did include a summary of the Farm Bill initiatives, including the grants that were going to be coming out of the Farm Bill.

Mr. Bynum: I probably received it because I requested that I receive any correspondence and our staff did that. If you can help me highlight that, I do not have any other questions right now. Thank you for your service. I do have other questions, but I will hold them for now.

Chair Furfaro: I will come back to you a second time, Mr. Bynum. I will go to Mr. Rapozo, and then Mr. Hooser.

Mr. Rapozo: Thank you for being here today. I just had a question. You mentioned it in the report briefly about the municipal bonds tax exempt status. Do you have an update on that for us? How active are we?

Mr. Smith: As you know, Congress has been considering comprehensive tax reform and the President has supported the same concept. There has been no definitive action in either the House or Senate. The House has put forth a Chairman of the House Ways and Means Committee, David Camp, of which they did put forth a Comprehensive Tax Reform Bill. One of the things that the legislation would address is trying to rationalize the tax code and eliminate many tax deductions and breaks and loopholes, and one of them is the deductibility of interest from municipal bonds. As you might imagine, it is very controversial. Municipal bonds are a great source of funding for state and local governments, so all of the appropriate groups, organizations, and associations like the National Association of Counties, National League of Cities, and National Governor's Associations have taken firm stance against any modifications or changes to the tax deduct ability of interest for municipal bonds and we have taken the same position with the Kaua'i Congressional Delegation. We are on record, met, and communicated that position to all members of the Delegation.

Ms. Cronin: And we provided a letter of support.

Mr. Smith: We also did a letter to the Delegation. It is out there. There is no activity taking place right now, nor do I expect anything to happen before the election. It is such a massive undertaking when you consider trying to rewrite the entire tax code that it takes years sometimes to do that. I do not expect it to happen before the end of this year, but I would not be surprised if we start to see some movement on that in the next Congress.

Mr. Rapozo: So the entire Hawai'i Delegation in Congress did not support any cap or the removal of the exemptions?

Ms. Cronin: We did not argue for accepting or supporting any changes to the cap. We simply ask that we maintain the tax exempt nature of municipal bonds and that we would cautiously approach any changes to the cap.

Mr. Rapozo: What is your gut feeling?

Mr. Smith: Pardon me?

Mr. Rapozo: What is your gut feeling?

Mr. Smith: My gut feeling is like taking on the deductibility of mortgage deductibles. There is such wide, broad support for the program that at the end of the day, I do not think Congress is going to mess with municipal bonds.

Mr. Rapozo: I think it would affect a lot of the elections of many of our Congress people if they did.

Mr. Smith: Right. The other thing is that we are in a very austere budget environment in Washington. Washington is not providing the same level of assistance to local governments as they used to do since 2008. To take away bonding authority by reducing the deductibility would be a double whammy. It is like if you are not going to give us the Federal assistance for Transportation or Housing that we have been accustomed to, in which we deserve, then do not undercut us by reducing our ability to bond local projects. It is like one of the only tools that we have left.

Mr. Rapozo: Yes and I believe that smaller states and counties like Hawai'i would really impact... I think it would cripple Hawai'i's ability to build schools, roads, and so forth. Thank you for the update. I appreciate it.

Chair Furfaro: Mr. Hooser.

Mr. Hooser: Good morning. I just have a brief follow-up by Councilmember Bynum. I just want to be clear. Will you be able to provide us with a summary or highlights of the Farm Bill and those grant opportunities that you mentioned before?

Ms. Cronin: Yes.

Mr. Hooser: Could you send that?

Ms. Cronin: Absolutely.

Mr. Hooser: Thank you.

Chair Furfaro: Mr. Chock.

Mr. Chock: Thank you for the report. It is nice to meet you. It is my first time. I had a question just in terms of process and services.

Ms. Cronin: I am sorry— I did not hear that.

Mr. Chock: In terms of processes and services. When we talk about Federal grants and the grants that we have invested in, does your firm advise our Administration in terms of prioritizing based on their goals and what we should be looking for in determining which Federal grants to go after? I was just wondering about what the interaction was there.

Ms. Cronin: Yes. When we come out to meet with the County Departments, we have on four occasions now, sat down with each one and listened to what their needs are and listened to some of the programs that they are providing. I have sort of a library or a rolodex of all of the Federal grants in my head, for one thing because I am the one that goes through all of the grants and highlights the ones that I think are most applicable to the County specifically, and then more specifically to the County of Kaua'i. When I hear from the Department Heads of what their interests are and the programs that they are providing, I am able to identify usually several grants that might apply to them that they could consider, so I will make sure that I get those grants to them. Now they received some of these grant announcements two times from me. We talk about it and what the resources are that might be required to be able to apply for some of those grants and if they would need somebody with expertise that they should talk to about how to write the best and most competitive grant and what they need to do locally in order to build support for that. It is sort of on a case-by-case basis, but I think the most valuable advice that we can give is how to prioritize your projects in order to be able to go after some of the Federal funding opportunities successfully because you cannot go after the world, but you can cast a wide net and slowly narrow it down and perfect your application over time.

Mr. Smith: The other thing I would add is that we spend a lot of time working with these Federal agencies, so we know many of the program managers and contract administrator in each of the departments. We take it upon ourselves to try and keep current with what the agencies' priorities are and what the agencies are looking for in each round of grant funding because it varies from year-to-year. At one year, there might be an emphasis or focus on one area, and the next year it might be something different. We make sure that we convey that information to the Department Heads and agencies here in Kaua'i. We also make a judgment call based on that information and the knowledge that we have whether or not it is worthwhile. Frankly, sometimes it is not worth the effort if the odds of success are not good.

Mr. Chock: Absolutely. Is there a capacity that you are willing to serve in amount of grants that you are willing to take on and support?

Mr. Smith: We are not a large firm, but we have about fifteen (15) people in our office and we have two (2) people who dedicated on a daily basis to monitoring Federal funding decisions and grant availability notices. We

have a system in place. We are able to track this funding, and then being able to distribute appropriately to the County.

Ms. Cronin: I would say that I think we wish that we had the problem of not having enough capacity to be able to accommodate the needs of the clients who are applying for grants. We have not had that problem with the County. We encourage them to apply for more.

Mr. Chock: Okay.

Mr. Smith: One of the things that happened in the post-earmark era is a lot of... you would be surprised at how many local governments have sort of given up. All they knew was that they could go to their Congressional Delegation to make a request for funding, whether it was a bridge project or housing project, and at the end of the Legislative Session there was an earmark delivering two million dollars (\$2,000,000) or whatever amount of dollars to the local agency. It is not that easy any more. As you heard, this morning it takes a lot of time, effort, resources, and strategy to secure Federal funding. As a result, a lot of state and local governments, counties, and cities just do not do it anymore, so you would be surprised at how many people say that they do not have the time to do these grant applications.

Mr. Chock: Thank you. Can I just have one more follow-up question, Chair?

Chair Furfaro: Go ahead.

Mr. Chock: Thank you. Just along the lines of Federal grants— since everyone has some requests already, I am looking at building capacity and competency in the County government. Is there any movement in terms of supportive grants for leadership development, for instance?

Ms. Cronin: So for professional development within the County Administration?

Mr. Chock: Yes. I am looking in the range of professional development, as well as convening community around specific issues to come to agreements and so forth.

Ms. Cronin: Sure. One area that might help would be the reauthorization of the Workforce Investment Act and that is actually moving through Congress and it is something that we might see acutely pass and be signed into law before the end of this year... possibly not now, but maybe during the lame-duck session. That will have some new opportunities for some new programs in the things that you are describing for professional development. We have met with the Personnel Office to talk about funding opportunities for workforce training and that kind of thing. As those opportunities are released, I share that with them. There are also a number of opportunities with community colleges right now. That is a big topic. It is a big priority for the White House Administration. There are trade adjustment assistance; community college career training grant; and a couple of other programs for youth, eighteen (18) to twenty-four (24) years old. There are actually three or four out of the Department of Labor, but the big focus is really on trying to address the workforce training needs of the population that would be community college eighteen (18) to twenty-four (24) year olds and you would

probably need to work with your Workforce Investment Board on some of those funds, directing them to the County for professional development.

Mr. Chock: Thank you so much. I look forward to those.
That is all I have.

Chair Furfaro: Mr. Kagawa, you have the floor.

Mr. Kagawa: Thank you, Chair. It has been four (4) years since we have been suffering without having night football games during the Newell Shearwater fledgling season. I was wondering if the Administration asked you for some help with trying to resolve that problem.

Ms. Cronin: I am glad you asked that question. That is in our report in one of the last couple of pages. When I came out here in November of last year, 2013, I came out here because I obviously wanted to meet with the Departments and talk about Federal funding opportunities, but also, we arranged and SDA had facilitated a meeting with the congressional staff and some of the stakeholders to talk about the plan moving forward and where things are, meet with the County Attorneys, and update the Congressional (inaudible) and ask that the Director of Fish and Wildlife, Director Ashe, come to Kaua'i and take a look at the situation here and help us resolve the plan. We had that meeting in November of last year and we were waiting on some public comment responses from US Fish and Wildlife and we still have not received those to-date. The couple of the members of the Congressional Delegation met with the Director and some of the US Fish and Wildlife staff in December and January and they had meetings here as well, between the Congressional staff, as well as the Fish and Wildlife and Natural Resources staff in Hawai'i. Things have stalled a little bit due to the midterm elections and the primary. Director Ashe is probably going to hold off in coming to Kaua'i until after the primary so that...

Mr. Kagawa: How does the primary election affect
Dr. Ashe's visit?

Mr. Smith: I am not sure how it affects it.

Mr. Kagawa: Obama is not running, right?

Mr. Smith: Obama?

Mr. Kagawa: Yes.

Mr. Smith: No, he is not running.

Mr. Kagawa: Why would the primary election affect that?

Mr. Smith: I cannot speak for the Director. We have been told that his visit will probably not happen until after August, so you can draw your own conclusions.

Mr. Kagawa: Okay. I guess in a nutshell, let me express my frustration, and then I think you will kind of know what the people are feeling. The Federal Fish and Wildlife— I guess they took this action against the County and against Kaua'i Island Utility Cooperative (KIUC), our electric company, for

moving lines so that the birds do not hit it and die, but they did it to save the endangered bird species of the Newell Shearwater. The problem I have with this and the problem that our local people have with all of this is that there are studies and proof of videos shown that it is the rats and the feral cats that are killing most of the shearwater babies and eggs. If the Federal government and all of these "Save Our Shearwaters," Earthjustices, and what not really cared about the Newell Shearwater endangered species, they would do something about the feral cats and the rats instead of penalize the humans who are not even affecting the population. I am just trying to figure out when somebody is going to do something about— they are basically taking action against the wrong people. We are not affecting the population. We are only affecting small, tidily bit amounts of that population and we are actually saving ninety percent (90%) of the birds that fall during night football games. They are returned to the fire station or what have you and are saved; ninety percent (90%). One hundred percent (100%) die when the rats and cats eat them. Please help us with this situation. If what comes out of it is the Federal government or the Department of Land and Natural Resources actually go out and kill the rats and the cats or try and save the Shearwaters, then I am happy because at least they are showing me that they care about the birds. Right now, they do not show me that they care about the birds by taking action against us. So if you could please help us resolve this ridiculous action that has been taken against the people of Kaua'i— the millions that we have spent that really have not gone to save the endangered Shearwaters.

Mr. Smith: Councilmember, I think I can say that we share your frustration. We know this is a very emotional issue and it has really severely impacted the community. We are doing everything that we can to advance the dialogue. We are hopeful that Director Ashe's visit might provide some momentum to finding the right solution and we will be diligent with our outreach to the Administration and to the Congressional Delegation.

Mr. Kagawa: Thank you.

Ms. Cronin: We had a video conference call scheduled this week that we had hoped to be able to participate in and unfortunately, the Director's Office ended up having to cancel, so we will probably try to reschedule the video conference hopefully ahead of his visit.

Mr. Kagawa: Thank you.

Chair Furfaro: Mr. Rapozo had a follow-up to Mr. Kagawa.

Mr. Rapozo: Yes. Thank you. Councilmember Kagawa has taken the lead on this issue ever since taking office and he has kept me in the loop as far as the efforts by our Congressional Delegation, mainly Ms. Hanabusa. I know Senator Schatz sent out a press release hours after I met with him in D.C. in March. I asked all of our members what I believe is a solution, which is to just ask for a three (3) hour a week waiver. For three hours a week— I am seeing you writing that down so I guess that did not come up. For just three (3) hours a week for our football players here— that would benefit not just the players, but the families, the school, and the football association. I asked every single Congress person and Senator if they could somehow make that happen. Again, literally hours after I left Senator Schatz, he sent a press release to the media here and it became front page news that Senator Schatz is seeking a three (3) hour a week waiver. That, I think, is the solution.

Mr. Smith: It seems fair and reasonable.

Mr. Rapozo: Three (3) hours a week just makes so much sense. Just for the life of me— I got the E-mail from Wintehn Park, who is Senator Hanabusa's staff, and he was not happy because apparently the equipment had a malfunction for the videoconference. I guess that is what the E-mail said— whatever the reason was, but he was very disappointed because they had planned for this teleconference.

Ms. Cronin: That brings me to the suggestion that I would suggest that if you all agree, we can consider writing a letter of support for that if that is something that you feel strongly about and if the Council decides to do that.

Mr. Rapozo: I guess we can do a letter or a resolution. I thought... March, April, May, June... in three (3) months— I know things move slow in government, but it just makes sense for one season if we could try a three (3) hour a week pilot waiver to get the kids back on the field and the families back in the stadium. It is insane what that has done. I think Mr. Kagawa hits a very important point about the real threats to the birds. It is not the humans and it is not those lights at Vidinha Stadium on Friday nights for two and a half (2.5) hours or whatever it is. We will consider that. We will chat with the Chair and maybe we can get a resolution out here or at least a letter of support. I am sure Councilmember Kagawa will co-introduce that and we can set it up and use you folks as the...

Mr. Smith: We will be the messenger.

Mr. Rapozo: Perfect. Thank you very much.

Chair Furfaro: JoAnn, you have not had a chance yet.

Ms. Yukimura: Thank you very much. Welcome, Mr. Smith. We are glad to have you on Kaua'i and it is hard to understand unless you actually get here of what beautiful place we have and a very special community.

Mr. Smith: It certainly is.

Ms. Yukimura: So we are thankful that you come. Mary, thank you for your work on behalf of the County. I can see that you have really worked closely with our Department Heads and we have some excellent Department Heads. Thank you for that work. First, regarding the Fish and Wildlife, there is another issue with Fish and Wildlife that has been a very difficult issue and that is with the predation of taro by birds in Hanalei. As you know, we on Kaua'i produce sixty percent (60%) of all the taro in State. The damage cost has been in the hundreds of thousands of dollars a year to the taro farmers, who want to find a solution that will protect the birds, but also protect the crops, and they believe there are some opportunities for that, but they have had a hard time working with the Fish and Wildlife service. If Mr. Ashe is coming, it would seem that that issue should also be a subject of discussion because it has been a very real and difficult problem for the agriculture industry here.

Ms. Cronin: Thank you. I think we talked about possibly going up and taking a tour of the taro crops so we can see it firsthand. We are also very close with the Chairwoman Stabenow of the Senate Agriculture Committee and I think she would be very interested in learning more about the situation here and we can certainly bring this to her attention in conjunction with our Senators and see what solutions might be available if we can find a solution, should we.

Ms. Yukimura: That would be good and the primary agency involved is Fish and Wildlife because it is on their refuge where that is the major problem, although it is also a problem on other farms besides on the refuge.

Ms. Cronin: There is some crop disaster assistance through the US Department of Agriculture, which I think could apply in this case.

Ms. Yukimura: Okay.

Ms. Cronin: I do not know if they have considered anything like that, but that is probably something we would want to talk with the Senator about.

Ms. Yukimura: Yes. I think it would be great if they could get some compensation for crops lost, but the issue is more “turning off the faucet” and trying to prevent the damage, while at the same time— until this started to happen, I thought there was a wonderful synergy of habitat providing habitat and also providing speculation-free land for farming. This conflict has arisen and it begs for a solution that can work for both parties; both the farmers and the wildlife. I believe there are solutions, but it takes some real working together and that has apparently not been happening. On the other issue, as Transportation and Housing Chair of the Committee of this Council, this report that you did on the Surface Transportation Bill— was that sent to the Council as well? I must confess that I have not been able to look at all of your E-mails.

Ms. Cronin: Are you referring to the comparison between the GROW AMERICA Act, the Senate...

Ms. Yukimura: Yes. The one you mentioned here on page 4 of your report.

Ms. Cronin: Right. That was provided to the Mayor's Office and I would have to defer to Cyndi to see whether or not she had sent that on the Council, but that would have been included with one of my weekly updates.

Ms. Yukimura: Okay. If possible, just as an informational thing, it would be really great if all issues or all of your reports regarding Housing and Transportation could be sent to me because I try to work closely with the Administration on some of these issues and are sort of the link to the Council, which wants to support issues regarding Housing and Transportation. I found it very interesting that you sent communication on the tax extenders packet inclusion of tax benefits for transit riders and tax benefits for participants in bike share, retroactive to December 2014. I am not clear about what this is about and would love to understand it.

Ms. Smith: Yes, so there are a whole series of temporary tax breaks, including the tax code that Congress reauthorizes or re-extends

generally on an annual basis. For instance, one is a tax credit for corporations for research and development, and literally there are hundreds. One of them is a tax benefit to riders of public transportation. It provides up to... it had been two hundred fifty dollars (\$250) a month of tax free income to employees if they take public transportation and that along with all of these other tax breaks expired in December, so Congress has been working since December to...

Ms. Cronin: It should say 2013, not 2014. It is an error in my typing there.

Ms. Yukimura: Okay.

Mr. Smith: Yes, it expired in December 2013. Congress has been working since the beginning of this year to do another extension of all of these various tax breaks, including the tax of what they refer to as the "transit fringe benefit."

Ms. Yukimura: I see.

Mr. Smith: Currently, employees who receive subsidize parking from their employers get a two hundred fifty dollars (\$250) a month tax break on that benefit.

Ms. Yukimura: Really?

Mr. Smith: That is permanently written into the tax code, whereas riders of public transportation only get, right now, one hundred thirty dollars (\$130) a month, so there is not parity, and right now, the transit benefit has expired so they get nothing. The goal is to try to reach parity between the parking benefit and the transit benefit, but in the short time, what we are asking for is at least parity and an extension of the transit benefit.

Ms. Cronin: The tax extenders package is currently stalled. Senate was about to take it up about three (3) weeks ago and they had a disagreement over amendments. It was just a partisan issue where Republicans and Democrats just could not agree on how to proceed, so they sort of tabled it for now and will very likely take it up in a lame-duck session.

Ms. Yukimura: Okay. Thank you.

Ms. Smith: My understanding is that we spoke about this yesterday with the Mayor's Office and Public Works. It is a very popular benefit for people who ride the bus on Kaua'i.

Ms. Cronin: Although we do not have bike share, it is something to consider if there is a commuter tax benefit for recipients or riders of bike share. It would be something to consider.

Ms. Yukimura: Okay. Great. The Administration actually followed up on a request I have to include bus expenditures for County workers in our Flexi Benefit Program. I think that is similar.

Ms. Cronin: That is similar.

Ms. Yukimura: I do not know if they would then qualify on top of that for this transit rider tax credit. I guess whatever they spend...

Ms. Cronin: They would.

Ms. Yukimura: Okay. Great.

Chair Furfaro: May I interrupt here for a moment?

Ms. Yukimura: Sure, Chair.

Chair Furfaro: Cyndi, is there any chance I could ask you and Mary to switch seats? We seem to be having a hard time picking up that mic. If we have the two of you work off the one mic she has, Scott will assist. It might be a lot better for us. Thank you.

Ms. Yukimura: On the TIGER grants, Mr. Smith, you said that the Senate authorized it at a constant level, House has reduced it, but this means now it has to go to a conference?

Mr. Smith: That is right.

Ms. Yukimura: So we do not know what level then will result yet?

Mr. Smith: No, we do not.

Ms. Yukimura: Do you think this will be decided after the election in November?

Mr. Smith: It is possible, although it is not inconceivable that it could be completed before September 30th, which is the end of the fiscal year. But quite honestly, there are not a lot of working days left in the Congress before September 30th because the Congress takes the month of August off. We will just have to wait and see.

Ms. Yukimura: Yes. Thank you very much.

Chair Furfaro: I guess it is my turn and I will keep it kind of short. First of all, thank you very much for the very complete report. I will just touch on a few things. I would like to know your observations on... in particular across the nation, have you known much as it relates to various municipalities or counties that may be struggling with their bond ratings in this economic environment? What can you give us as an overview? We got a downgrade, not a major downgrade, but I think it is also related to the general attitude that is out there with a lot of bond councils right now because of the situation many of the municipalities are in. Can you comment on that?

Mr. Smith: Well, as you indicated, you are not alone in this boat. The market has been influenced by a number of factors. Obviously, it has been a tough economy. We have been through very difficult years since 2008. State and local governments are struggling all over the Country to balance their budgets. Many local governments, in addition to keeping up with balanced budgets, are also strapped with long-term pension obligations and that has had a negative impact on

bond ratings for many municipalities. The market has been also influenced by the bankruptcy of Detroit. I do not know if you follow your fellow islanders in Puerto Rico, but Puerto Rico has been strapped with seventy billion dollars (\$70,000,000,000) in outstanding debt and that has also influenced the bond market. I think the fact that you have only experienced a slight decline in your rating, you are doing pretty well. I think as we climb out of this economy, as we start to see job increases and further investment, and I know a lot of communities around the Country are still struggling, but they are beginning to see reinvestment and small business lending taking place. I think those bond ratings will improve.

Chair Furfaro: I am looking at that as an observation. Our visitor industry, which is the real engine here, has in three (3) years thirteen point eight percent (13.8%) growth. Our unemployment here is five point eight percent (5.8%). They are all good indicators, so I am a little surprised that it is not all about cash on hand.

Mr. Smith: Right.

Chair Furfaro: It is kind of bothersome that we would have this growth in the beginning. That is what reserves are for.

Mr. Smith: A lot of communities go to great lengths to maintain relationships and communications with those bonding rating agencies. I think that can have impact as well. I do not know how you handle it, but I think that is important.

Chair Furfaro: Well, we have a team that is made up of the Mayor, the Finance Director, Economic Development, and me from the Council, so we communicate regularly, but only one of them had actually downgraded us from an "A" to "A-." But anyway, I think a lot of the trends that are out there have had some influence on this.

Mr. Smith: I think so too.

Chair Furfaro: TIGER— that also references in the acronym, it references the fact that we have to generate some revenues from this. I think that is what the "G" stands for; "Generation," right?

Mr. Smith: Exactly.

Chair Furfaro: But what does it mean in those terms? It means that we are generating income to offset transportation costs or are we actually generating income to cover transportation cost? Which is it?

Mr. Smith: It is really neither. It is not looking at a recovery, but looking more as a stimulus. It is designed to provide a stimulus for job creation, economic development, and investment. If the TIGER funds that go into a project result in more jobs, economic development, and local investment, then it is regarded as highly successful.

Chair Furfaro: Okay. I am going to let Mr. Bynum have the floor again. He had a few more questions, but I will see you all in Honolulu for the conference.

Mr. Smith: We will be there and we will be available to meet and talk with anyone of you.

Chair Furfaro: Okay. I am going to go to you first, Mr. Bynum, but I would like to wrap this up in ten (10) minutes.

Mr. Bynum: I will be extremely brief.

Chair Furfaro: No, I am not just worried about you. You did not let me finish. I also want to see other questions from other members. Go ahead.

Mr. Bynum: Thank you very much for the presentation. I will be a HSAC as well and I can ask you further questions at that time. I very much appreciate your work. Thank you very much. I do not have anything else now.

Mr. Smith: Thank you.

Ms. Cronin: Thank you.

Chair Furfaro: Members? Anymore questions for them? If not, we will have a fruit punch at the cocktail hour and we will talk a little bit more.

Mr. Smith: Great. Thank you very much.

Chair Furfaro: We really appreciate your work in your office.

Mr. Smith: We really appreciate your business.

Ms. Cronin: Thank you.

Chair Furfaro: Thank you. On that note, is there anybody who would like to give public testimony on our report here? Glenn, come right up.

GLENN MICKENS: Thank you, Jay. For the record, Glenn Mickens. I thank Mr. Smith and Ms. Cronin for their fine presentation. The question that I have is that they brought up using tax incentives or using public transportation—I just wondered why those in power are pushing for tax breaks for using public transportation. Every statistic I see shows people using their vehicles more and more. They want to use those vehicles, whether it is for private use, going to the market, or whatever. They are going use private vehicles. You are not going to get them out of it. Why are those in power not pushing more for our roads? Our roads here are horrible, as the headlines of the paper mentioned today. Why are we not pushing to do something for our roads getting more alternatives so we can move around the island? I do not understand why they keep pushing people to get in the buses, bikes, or walk. It is not going to happen. People are not going to abandon their vehicles. They are not going to do it. It is that simple. Use yourself as an example and you will see that what I am saying is true. I just wondered when they were talking about getting grants for things and seeing if the Federal government is pushing to get people into mass transit. It is not going to happen, especially like a place like Kaua'i. If you got a big municipality where trains are going to be in a central location or even to try and get people to live in one central place... bring

everybody into Līhu'e to live here so they can walk to work— it is a dream. It is not going to happen. You are a good example, Jay. I want to live up in the homesteads. Most of you people do not live in Līhu'e. I am just saying for us to live in the real world and push for things that are going to really benefit the mass of the people. Thank you, Jay.

Chair Furfaro: Thank you. Mr. Bynum, do you have a question?

Mr. Bynum: Glenn, you have been here when the Administration has told us about the doubling of the ridership of the bus when we expanded it to nights and weekends and the testimony of people who cannot afford cars. Do we not need to meet those people's needs as well?

Mr. Mickens: Tim, you have to meet the demands of the mass of the people. How many people are using buses, bikes, or walking? Out of the total driving population, how many?

Mr. Bynum: So your answer is "no?" So we do not have a responsibility to those citizens who do not have cars or who do not have mobility?

Mr. Mickens: Sure we do. You are going to have to have a certain amount, but do not over...

Mr. Bynum: So if we give financial incentives to pay for parking for people to drive to work, why not give financial incentives for people to use the bus?

Mr. Mickens: Tim, you gave free bus rides to the County employees of about one thousand (1,000) people and fifty (50) of them use it. Is that realistic?

Mr. Bynum: So you do not think that we should continue to expand the bus to meet the needs of people who do not have other options? That is my question.

Mr. Mickens: If the people need it and demand it, then yes. But the people are demanding to use their vehicles and want our roads fixed on this island.

Mr. Bynum: And we do that as well. Thank you for answering my question, Glenn.

Chair Furfaro: I will call the meeting back to order. Members, do you have any discussion? If not, I just want to say to the Administration that I appreciate these visits and especially with some of the upcoming national events, having Mary folks here to carry our banner is very much appreciated.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to receive C 2014-177 for the record was then put, and unanimously carried.

Chair Furfaro:

Let us go to our next item, please.

There being no objections, C 2014-175 was taken out of the order.

C 2014-175 Communication (05/16/2014) from the Fire Chief, requesting Council approval to accept a donation in the amount of approximately \$7,200 from the Kaua'i Lifeguard Association (KLA) for three (3) Beach Safety Displays valued at approximately \$2,400 each, these displays will be used for beachgoers at Brennecke's Beach, Po'ipū Beach Park, and 'Anini Beach Park: Mr. Kagawa moved to approve C 2014-175 with a thank-you letter to follow, seconded by Mr. Rapozo.

Chair Furfaro: I am going to suspend the rules and ask Dr. Downs if he would like to come up.

There being no objections, the rules were suspended.

MONTY DOWNS, President of the Kaua'i Lifeguard Association: Monty Downs, President of the Kaua'i Lifeguard Association. Thank you for moving approval and it should be a "no brainer," just a quick update. I did not bring an example for each one of you of the signs we are talking about, but if you have been to Kalapakī or Waiohai recently, we already have three (3) of these signs up on private beaches and signage has long been considered one of the tools that can be used for ocean safety. It is Ralph (inaudible), the kind of the "Yoda" of lifeguarding on O'ahu. I have heard him say, "Hey, I have never heard of a sign that made a rescue," and that is true, but still, we consider having good information in all ways possible to be what I call another "arrow in the quiver." It actually took me two and a half (2.5) years to get these signs through the County Attorney's Office. I guess they go over things very, very carefully, but they are developed by Winston Welborn of Wasabi who also does "kauaiexplorer.com." They are really professional. They are beach specific is what they are, not just a sign in the sand saying "Rip Currents" or "Dangerous Shore Break." They actually have an aerial photo of each beach. The three (3) are Brennecke's, Po'ipū Beach Park, and 'Anini by the boat ramp. There is an aerial view and arrows that show where the rip currents are and basic safety tips. I brought a few things that I could pass around, if you wanted. I did not bring one for each one of you, I am sorry to say. But if you are interested in looking at it, you are welcomed to.

Chair Furfaro:

We can just pass it around.

Mr. Downs: I do not know if I could E-mail it from the County Attorney or not, but these are kind of examples. Here is a couple more. This one is Kalapakī and the other ones there are at Waiohai. They are the typical cantilevered signs... the median for holding the sign is the typical cantilevered display you see at national parks, Pearl Harbor, and all around the lookout, looking over the taro fields, et cetera. They are highly really well made from this (inaudible) in Oregon called Sea Reach who makes out of industrial grade aluminum, industrial grade coating with paint, et cetera. Anyway, they are really top quality. The County attorneys went through them word-for-word and had them go through the Americans with Disabilities Act (ADA) for their approval. That took a few months. Then they basically got final approval from the attorney about three (3) weeks ago, the final step to starting to really install these signs at County beach parks if you are all willing to approve our donation to the County. If you approve these three (3), we intend to move forward with more signs and I will be

coming before you one by one at other County beach parks like Hanalei Black Pot. Eventually, I would like to get them on County easements, not County parks *per se*, but like the easement to the trailhead at Queen's Bath and Larsen's, so people walking out at these trails can stop right there at the beginning and say, "Okay, here is the beach. Here is what can happen with rip currents," et cetera. That is about it. Thank you.

Chair Furfaro: Are there any questions for Dr. Downs? Well, I want to say that we always appreciate the contributions that your organization has made to our Ocean Safety Program. It is much appreciated. I do not see that there would be any issue here whatsoever. We are really lucky to have some of you in our community. You do good things for us. Thanks. Mr. Bynum.

Mr. Bynum: Kalani and Monty, I do not really have any questions, but something that I want to say is that I am standing in the airport, watching that video all alone in the baggage claim because there was nobody there, and then in fifteen (15) minutes, the room was full of people watching those visitors watch that video. I just thought that we are saving somebody's life right now and we will never know. So you guys, all of you that are involved in this ongoing effort to improve ocean safety, you just keep more creative and dogging it through. I remember when we could not do the life preservers on the beach because of the liability. We keep working it around and now they are saving lives. Thank you for your persistence and this is logical and appropriate as the next step. Thank you.

Chair Furfaro: Anyone else? If not, Monty, I have to ask for public testimony before we speak. Is there anyone wanting to give public testimony? Would you surrender your seat there for Glenn Mickens? Glenn, come right up.

Mr. Mickens: For the record, Glenn Mickens. I just want to sincerely thank Monty for the lives he has saved, for the lifeguards, and all of these wonderful lifeguards that they have out there. I just cannot say enough about this man. As a physician, I had a motorcycle accident one time, he had to sew up my head and he is a great stitcher. He thought he was going to do a lousy job, but he did a wonderful job. He is a great physician and a wonderful person. If he says we need more signs or whatever, I would certainly listen. Thank you, Jay.

Chair Furfaro: The doctor sewed up your head? Is that what you told me? Glenn, thank you very much for your very pleasant commentary on the work that they have done here. This total contribution is seven thousand two hundred dollars (\$7,200) and it is earmarked for three (3) projects. Do we have a motion and a second?

Mr. Watanabe: Yes we do.

Chair Furfaro: On that note, are there anymore comments?

There being no objections, the meeting was called back to order, and proceeded as follows:

Ms. Yukimura: I just want to say that when you think about saving one life, it is pretty incredible the work that is being done in saving many, many lives and avoiding so much agony for families and for the industry as well. This kind of work is just priceless and I do want to thank Dr. Downs, Kalani Vierra,

and all of those who support this because it definitely makes our community stronger. Thank you.

Chair Furfaro: Monty, I believe we have only had three unfortunate situations so far this year and compared to the reductions from past years, we are making progress because of all you have done. Even three is too many and we just constantly have to make improvements wherever we can. I will be very happy to vote "yes" in your donation request. May I have a roll call, please?

The motion to approve C 2014-175 with a thank-you letter to follow was then put, and carried by the following vote:

FOR APPROVAL:	Bynum, Chock, Hooser, Kagawa, Rapozo, Yukimura, Furfaro	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Chair Furfaro: Thank you very much. Now we have an item that deals with our County Attorney.

Mr. Watanabe: Yes, Chair, but I believe we will move that item to the end because we have an Executive Session scheduled first before that item.

Chair Furfaro: I was informed that they may want to give some information to that effect now. I am confused. I had members tell me that they wanted to participate now and you are telling me that we are moving it to the end of the calendar.

Mr. Watanabe: Councilmember Yukimura is requesting that we go to a Resolution next.

Chair Furfaro: Okay. I will give her the floor. Please read the item first.

There being no objections, Resolution No. 2014-22 was taken out of the order.

RESOLUTIONS:

Resolution No. 2014-22 – RESOLUTION PROPOSING A CHARTER AMENDMENT RELATING TO THE CODE OF ETHICS: Ms. Yukimura moved for adoption of Resolution No. 2014-22 on second and final reading, seconded by Mr. Bynum.

Ms. Yukimura: Chair, thank you for this accommodation. Our Deputy County Attorney has training in the afternoon, so he will not be here and because this is a fairly complex issue, I wanted to have him present. At our last Council Meeting, I believe Councilmember Hooser raised some very good questions and we have had a chance to look at that. This proposed Charter Amendment would narrow the limitation on speaking before County boards and bodies because if it is too overbroad, covering places where there is no real conflict of interest, then it begins to infringe on people's freedom of speech. I think we saw that example with Gina Kaulukukui, who is a County employee, and she came to speak before us

on an issue where there is no conflict of interest. It was on the issue of teen suicide. She is associated with the efforts to prevent teen suicide and she was here to speak to the County Council. There is no conflict with her job in the Police Department, but under the Charter as presently written, she would not be able to speak. We also know that other good members of the public such as Mark Hubbard and such as our own Chair, when they sat on various nonprofits. They were told that they could not speak on behalf of nonprofits before any Board or Commission because of this restriction. It has prevented people from taking positions on Boards and Commissions. The question raised by Councilmember Hooser was, "Does this mean that a County employee can go and testify before"... say they work in the Planning Department. Can they go and testify before the Building Board of Appeals on something? I think there was also a question about an attorney who serves on the Planning Commission and whether they can come before the Council representing a client on a zoning matter. It could either be something that passed through their Planning Commission while they were sitting on it or something that was not related to any Planning Commission work, so there are all these different situations. We were able to look at the County Code because as you know, the Charter represents the broad parameters of regulation, and then the County Code goes into further detail. Aida, can we pass out the County Code provisions that are relevant that show that they do preclude places where there are conflicts of interest with respect to employees? They already exist and i.e., there are many other provisions in the Code and in the Charter that cover situations where there are conflicts of interest. I want to ask Nick Courson to elaborate on this point or to answer questions that members may have.

There being no objections, the rules were suspended.

NICHOLAS R. COURSON, Deputy County Attorney: Good morning, Council. Nick Courson, Deputy County Attorney, for the record. I think most of the rules that Councilmember Yukimura is referring to are contained in Charter Section 3.17 "Conflicts of Interest." I do not think it would necessarily address all of Councilmember Hooser's concerns as paraphrased right there. If, for instance, an attorney sat on the Planning Commission, but had something before Council that did not relate to the Planning Commission, and you modified this rule, I do not see how that person would be prevented from coming before Council. However, if they did have something before the Planning Commission, then the effect would be that they could not take any official action before the Planning Commission and that is Section 3.17(a)(2).

Ms. Yukimura:

Okay.

Mr. Courson: I would like to echo what Councilmember Yukimura said that the general rule when it comes to "freedom of speech" that I have gathered from reading on this issue is that legislation restricting "freedom of speech" must go no further than necessary to accomplish its objective. So I think that there certainly are valid concerns about conflicts of interests here, but we are using a very broad rule, so my recommendations to her when I discussed the issue with her is to indeed narrow the Charter provision to the extent that narrowing it would leave open the situations that need to be addressed, add them to conflicts of interest, be specific about what we are concerned about, and work to get those instances into the conflicts of interest, rather than right now, everyone is banned from speaking on behalf of anything that is construed as a "private interest."

Chair Furfaro:

Questions for the attorney? Mr. Hooser.

Mr. Hooser: Thank you for being here. As I read this, it says "appear on behalf of private interests," so this does not preclude people from testifying on issues; it just precludes people from being paid to testify on issues, in my opinion. So they still have the freedom of speech if they want to come as a private citizen even though they are a County employee and speak on behalf of something.

Mr. Courson: The distinction, Councilmember Hooser, is under the Board of Ethics interpretative rules. "Private interest" would be defined as pretty much anything besides yourself, so you are correctly that any County employee could come and speak on behalf of anything that they are interested in, but they could not speak on behalf of any other organization. If someone is associated with something like Life's Bridges, the Boys Scouts, or anything really—I see weird spots there were people kind of play semantics games sometimes where they say, "I am here on behalf of myself. I just happen to be espousing all of these views of this organization that I am also associated with." If that person ethically feels that is okay, they could skate by on that where someone else is like, "I am here on behalf of whatever nonprofit," they cannot. That is the interpretative rules of the Board of Ethics as it stands now.

Mr. Hooser: Thank you.

Chair Furfaro: Questions? Mr. Chock.

Mr. Chock: Thank you for the work and thank you, Councilmember. I agree that there are definitely situations where we could open it up like with Gina's situation here as there was nothing to be voted upon, rather just a presentation to be made. We should have that kind of exception to preserve people's First Amendment rights. It seems to me that there is more work that needs to be done in terms of defining the rules so that the specific situations that may come into conflict are clearly defined. It would seem that we want to do that concurrently so that there is no gap in between the opportunities for any conflicts to arise. Can you speak to that in any way?

Mr. Courson: I think that would be wise. I think from what I understand, there is testimony expressing certain concerns, so I think we could take that testimony and distill what those concerns are and maybe work to propose where we could incorporate those rules as well as simultaneously modifying the Charter.

Chair Furfaro: Mr. Rapozo.

Mr. Rapozo: Thank you, Mr. Chair. We run into problems when we start isolating specific situations like Life's Bridges.... that scenario... kind of far reaching, but when you look at another scenario, say an attorney who sits on the Planning Commission that is involved with that Planning or that zoning issue; right now, he or she cannot come here and testify on that matter when it gets here, currently.

Mr. Courson: Yes.

Mr. Rapozo: If this passes, they can?

Mr. Courson:

Yes.

Mr. Rapozo: That is the purpose in the Ethics Code because people were in positions in commissions; professional people that had clients on the outside, which could disclose their relationship at the Planning Commission, and then show up here and testify. That is improper, in any opinion. You make a choice. You make a choice whether you want to be an attorney, a community volunteer and sit on a commission, or if you are going to be an advocate at the Council Meeting. That is why I think this clause was put in, not so much the Life's Bridge's lady who wants to come and testify about her organization. This was not intended for that. But I think the Chair mentioned and so have I— I have stepped down from boards, which I had no decision-making authority. That is the choice I made. It is not a restriction of your freedom of speech. I think it is a condition of employment, that if you want to serve on the commission, you are not able to testify on behalf of anyone. No one is taking away anybody's right to speak as an individual. I will use the scenario of the Planning Commissioner, who is an attorney that can come here and advocate his position for his client. I do not believe that is proper.

Chair Furfaro: Are there other members who have not spoken yet? If not, JoAnn, you have the floor.

Ms. Yukimura: The way to handle this is to ask whether the situations that we are concerned about are covered by other parts of the conflict of interest package that exists. That is one question, assuming that there is actually a conflict of interest as we hold those values, right? Let us take the attorney who is on the Planning Commission recuses himself, you say, Nick, because...

Mr. Courson:

He would have to.

Ms. Yukimura: Right. If he comes before the Council to speak on behalf of that zoning applicant, it is not covered anywhere else in our rules that he would not be able to do it? Is there not a conflict of interest provision that covers that?

Mr. Courson: It could be arguable. You could say instead of "d," which is the one we are talking about right now, you could say "e," "is use of official position to secure a special benefit, exemption from self or others." I think the classic argument about that one is that it is prescriptive, rather than a prohibition. It is something that you can only determine afterwards whether someone did, in fact, do that, that would be the purpose of the Board of Ethics. There are other parts of the Code of Ethics that would prohibit a lot of these fears. They are not an upfront prohibition; they are a remedy after the fact.

Ms. Yukimura: Would he not go before the Ethics Board and say, "Would I be violating this if I spoke on behalf of my client before the Council?"

Mr. Courson: He may. The more prudent County employees do go before the Ethics Board before hand and ask for an advisory opinion, but the Ethics Board also receives complaints from people on behalf of folks who did not come for an advisory opinion.

Ms. Yukimura: conflict of interest?

Under "e," what is the remedy if they find a

Mr. Courson: I am not sure. I have never seen it happen. A violation of the Code of Ethics can have you removed from your official position, so they might just issue you a warning. It probably depends on how serious the violation was and the surrounding facts. They could do a whole range of things from issuing you a warning, to removing you from office or employment, as the case may be.

Ms. Yukimura: Okay, but it is that “no officer or employee of the County shall use his official position to secure a special benefit, privilege, or exemption for him or others.” That, to me, covers a Planning Commissioner, who would appear before the County Council.

Mr. Courson: Yes, they would have to be cautious, but they could appear, and then it would be arguable whether or not they in fact did that.

Ms. Yukimura: Well, then same thing, “appear on behalf of private interests before any board, commission, or agency”— what is the existing language?

Mr. Courson: That was it.

Ms. Yukimura: Okay. But it is the same thing.

Mr. Courson: It is the same thing?

Ms. Yukimura: They could do it and then be held in violation after the fact.

Mr. Courson: Right. They could. What “appear” means and what “private interests” are has been something that has been under discussion from what I understand, for many years, because there was a concern at one time, “Does this mean ‘we,’ who work for the County, cannot go to the Department of Motor Vehicles (DMV) and get our driver’s licenses?” They said, “No, private interests do not just mean your own personal interest; it means an exterior interest.” So we figured that out, and then “what does appear mean,” and that is defined in the Board of Ethics interpretive rules. Does “appear” just come in person? Does “appear” submit testimony? I do not have it in front of me, but I am pretty sure it is broader than just “appear in person.”

Ms. Yukimura: Okay. Let us take the issue that actually happened before us when Mr. Katayama spoke on behalf of Kaua’i Coffee, of which he is the Manager, during Bill No. 2491. He was a Planning Commissioner at that time and still is, I think, and he came to speak before the Council. Was that a conflict of interest?

Mr. Courson: The Board, in that case, because Mr. Katayama was invited, interpreted that he was appearing on behalf of a private interest and responding to the invitation of Council.

Ms. Yukimura: That also could be fabricated, so you could invite anybody you want to testify. If there is actually a conflict of interest, how does an invitation really make a difference?

Mr. Courson: That is a valid point, Councilmember.

Ms. Yukimura: So those are the issues. If we pass this Charter Amendment, there is still “e,” as applied to Mr. Katayama, “use his official position to secure special benefit, privilege, or exemption for himself or others.” The question is, is he using his position as a Planning Commissioner to speak on behalf of Kaua‘i Coffee? Is there really a conflict of interest here? What is it about him being a Planning Commissioner that gives him special influence over us at the Council? That is what would be the underlying reason that he would have a conflict of interest, right?

Mr. Courson: Yes.

Ms. Yukiumra: To me, he was just “Wayne Katayama who works for Kaua‘i Coffee.” Why should he not be able to speak on behalf of his company?

Mr. Courson: There are other provisions, which I think are helpful for that disclosure; all Councilmembers, Planning Commissioners, or appointed officials are required to disclose. To the extent that you know that Mr. Katayama is a Planning Commissioner and is the Manager at Kaua‘i Coffee, you take what he says with a grain of salt. We are required to disclose all of those facts. They are out there.

Ms. Yukimura: Right now, the way the “d,” the provision we are trying to change stands, somebody like Mark Hubbard would not be able to speak on behalf of Keiki to Career?

Mr. Courson: Correct.

Ms. Yukimura: I think he is no longer on the...

Mr. Courson: He is no longer on the Board of Ethics.

Ms. Yukimura: Yes, but when he was, he could not speak on behalf of Keiki to Career because the assumption underlying “d” was that there was an inherent conflict of interest for anybody who sits on a board, to appear before another board, that there was an inherent conflict of interest, and I do not see it.

Chair Furfaro: Okay, you do not see it. Let me yield to some other Councilmembers.

Ms. Yukimura: Surely.

Chair Furfaro: Mr. Rapozo, and then Mr. Hooser.

Mr. Rapozo: That is fine. I will yield.

Chair Furfaro: Okay. Mr. Hooser.

Mr. Hooser: I wanted to address the concern or the issue of inviting people. I certainly think there is valid reason and valid rationale to make the act of inviting someone here, like Mr. Katayama was, to allow them to present information. If this body wants to be educated or informed on an issue, we

have the ability to invite people to come, as we did. It seems like that would be the answer to many of these issues that we could. So you are saying that we can invite let us say, Mr. Hubbard, "Can you please come and talk to us about this program because you are the expert?"

Mr. Courson: I am saying that there is precedent from the Board of Ethics on that with Mr. Katayama, yes.

Mr. Hooser: Okay. Thank you.

Chair Furfaro: Mr. Bynum.

Mr. Bynum: I guess I am still a little confused, but the bottom line would be... my question would be— well, everyone is invited here to give testimony. That is our norm. We encourage and invite members of the community to give testimony. Is there a way to resolve this issue at the Board of Ethics level and clarify it through that process that would make this Charter Amendment unnecessary?

Mr. Courson: The Board of Ethics does have the power to do interpretative rules, so they could revise their interpretative rules in regards to what "appear on behalf of" means and what "private interests" mean, but they are bound to follow the laws of this so they could revise their interpretation, but there is say danger in doing that too because they do not want to just bow with whatever the winds are. There would need to be a pretty good reason for them to change their interpretative rules, I think.

Mr. Bynum: Well, they were asked in a specific case involving Mr. Katayama, right?

Mr. Courson: Yes.

Mr. Bynum: Could they not be asked in a more generic term and see if... because we are worried about unintended consequences, right? If we make a change to the Charter language, have we thought through every scenario? We need to think through all of that because it is a Charter change. It takes two (2) years to undo it, as well, right? I was just hearing this discussion as perhaps we can continue the dialogue with the Ethics Board and the County Attorney to come up with an interpretation and norm. Is that possible?

Mr. Courson: That is certainly possible. Even if you are concerned that you could not change the Charter again for two (2) years and there were unintended consequences, you can push an ordinance through relatively quickly and a good part of the Code of Ethics is in the ordinances and not just the Charter, so the ordinances can be used to supplement the Charter.

Mr. Bynum: So there is also a potential legislative remedy to the concerns that are being expressed? Is that what I hear you say? It could be interpreted by questions to the Charter. I could for instance ask generic questions about their policy and get an answer, right?

Mr. Courson: Yes.

Mr. Bynum: Or you are suggesting that perhaps we can explore potential legislative remedies to the concerns that are being expressed by Councilmember Yukimura?

Mr. Courson: Correct, which is faster than every two (2) years.

Mr. Bynum: Right. Has the County Attorney's Office provided a written opinion about the potential intended and unintended consequences of this Charter Amendment?

Mr. Courson: We have provided a written opinion, but it was not addressing unintended consequences; it was just addressing the legality of this proposal.

Mr. Bynum: Has that been shared with this body? Maybe I should know that, but I do not.

Mr. Courson: I do not know.

Mr. Bynum: Okay. Thank you. Those are the questions that I have for now. Thanks.

Chair Furfaro: Councilwoman Yukimura, you have the floor.

Ms. Yukimura: I believe the Charter Commission and the Ethics Board, at least as what has been expressed to me, would like to see this changed because they see it as a problem, but they have felt that they could not even come and testify before this board.

Mr. Courson: I am assigned the Board of Ethics and I do believe that they would like to see it changed.

Ms. Yukimura: Yes, because they have seen it as a problem and they have felt that the language needs to be changed to clarify and to cover where there are actual conflicts of interest and to not cover where there are not conflicts of interest, which is the purpose of a law. We are open to suggestions about how we might amend this to do that if this does not do it clearly or, as I think the Deputy is suggesting, we can also make more detailed changes or clarifications in the Code to further clarify the larger Charter Amendment, assuming that it passes. That is where we are here now. Nobody is trying to pull a quick one on anybody. We are trying to clarify a law that does not seem to be working well, that seems to prohibit totally innocent and useful input from members of the public, who happen to sit on Boards and Commissions. But we are trying not to exclude conditions where there may be very strong or evident conflicts of interests. We need to specify what those kinds of conflicts look like and perhaps provide wording to address that.

Chair Furfaro: Okay. I am going to go to Mr. Rapozo, and then you, Mr. Hooser.

Mr. Rapozo: Thank you, Mr. Chair. What are the problems that this Charter measure creates?

Mr. Courson: The problems that the proposed Charter Amendment creates?

Mr. Rapozo: No, the existing Charter.

Mr. Courson: The existing Charter...

Mr. Rapozo: I have not heard any. I heard a few examples on the table today, but what significant problems have we had that warrant a Charter amendment? I guess that is my concern.

Mr. Courson: To the best of my knowledge, there are employees and members of Boards and Commissions who have refrained from coming to testify because of this.

Mr. Rapozo: On behalf of others?

Mr. Courson: On behalf of private interests, which I think typically have been nonprofits. I am sure in some cases maybe an attorney has come on behalf of a client, but I have heard that. I also heard that to get around that problem, some members of Boards and Commissions have resigned. So to the extent you consider that a problem that we have lost the services of those people, that would be the other problem.

Mr. Rapozo: Yes, but maybe we lost them because it was not explained to them when they were picked that this would be a condition. Maybe that is the problem that we are not letting them know. I do not know. The other thing is the Charter says "appear before." Does that mean written testimony as well? "Appear before," to me, means coming up before the Council.

Mr. Courson: That would be in the interpretative rules of the Board of Ethics. I did not bring them with me.

Mr. Rapozo: The Board of Ethics could clearly clarify that written testimony is not considered "appearing before the board." I do not know—it could be interpreted either way. My question is the Ethics Commission—this is the first I have heard that they want it changed. I am not sure if they made a recommendation and if they have actually discussed this. Was this discussed at an agendaed meeting that they had a discussion as far as this?

Mr. Courson: Not that I recall.

Mr. Rapozo: So how do I know? If they had a meeting on the agenda discussing of possible charter amendments, had the open discussion, had the public testify, take a vote, and sent that recommendation or result over to the County Council; I think that would be appropriate, but to sit here today and say... how do I... I did not talk to them. Nobody called me. They are probably prohibited from doing that, but apparently they spoke to Councilmember Yukimura. But for one Councilmember to say, "Yes, I know that the Commission wants it done," but they never had a meeting. Again, I am going to treat every charter amendment very, very seriously because it is not an Ordinance; it is the Charter. There is a reason that is in there that sustained years and years, and years, of skepticism or questions, but the reason is to protect the community and not have people using their authority in the benefit of a special interest or a private

organization, whether it is a nonprofit or not. It does not matter if you are nonprofit or profit, as far as I am concerned. In nonprofits, people get paid. A nonprofit is no different than Kaua'i Coffee. I do not know how you separate the two. It should not be because you have a nonprofit, you have the right to come here and testify for the benefit of your organization. Again, it is a choice of the member of the Commission. If they want to serve on the Commission, then it means that they are going to have to cease any public input on the matter going forward. Like I say, I do not know enough of the issues and or the concerns other than a few hypotheticals enough for me to change the Charter. Thank you.

Chair Furfaro:

Mr. Hooser.

Mr. Hooser: Most of the discussion today has been about the impact on Boards and Commissions appearing before the Council, but the Charter Amendment says "no officer or employee of the County." So that is everybody.

Mr. Courson:

Everybody.

Mr. Hooser: So right now, the existing says "no officer or employee of the County," which is everybody, "may appear on behalf of private interest from any County Board or Commission agency." That is anybody on any County function.

Mr. Courson:

Correct.

Mr. Hooser: This proposal would allow all of that, except if you are dealing with your own agency or your own board?

Mr. Courson:

Correct.

Mr. Hooser: To me, that is way too broad and I agree with Councilmember Rapozo that if the Board of Ethics wanted to do something, I would prefer them to have this discussion, hash out the language, and then present that to us. It seems like it is way too broad. Again, it is all officers, employees, and agencies and it is way too broad. Thank you.

Chair Furfaro:

JoAnn.

Ms. Yukimura: Nick, is it not some of the concerns about employees covered in the County Code?

Mr. Courson: There is a whole section entitled "Conflicts of Interests," which prohibits employees from doing a variety...

Ms. Yukimura: That has been circulated. Do you see that? The top pages are the Charter? Then you will see the Title 2, "Code of Ethics, Fair Treatment: no councilmember or employee of the County shall use or attempt to use his or her official position to secure a grant, unwarranted privileges, exemptions, advantages, contracts, treatments for himself or herself or others including, but not limited to." There are some very clear prohibitions that I think are covering some of your concerns, Councilmember Hooser. "No employee shall take official action directly affecting a business or undertaking which he has substantial final interest, a private undertaking in which he is engaged as legal counselor, advisor,

consultant, representative, or other agency capacity.” There are a couple of exceptions, but wants you to know that they exist in existing law. “No Councilmember or employee shall acquire financial interest, any business or undertaking which he or she is believed to be directly involved in official action.” So I think... Councilmember...

Chair Furfaro: As the Chairman, I suggest that this piece go back to the table with some further discussion with the County Attorney, especially on the types of items that have been raised by Mr. Rapozo and Mr. Hooser. I do not want to turn this into a workshop with the full Council.

Ms. Yukimura: Thank you. If Councilmembers could submit specific instances which they would like to make sure are still prohibited, that would be useful. I do think it would be useful to have a conversation with the Ethics Board, too. So if that is possible for them to come to a Committee Meeting, then maybe we should refer this back to Committee, so we can have those discussions, Chair?

Chair Furfaro: I think that is fair and reasonable.
Mr. Rapozo.

Mr. Rapozo: I think this should be referred back to the Ethics Commission; have them do it at the Ethics Commission and have the public debate there. This is an issue that will affect the Board of Ethics and my suggestion would be not here at a Committee Meeting, but...

Ms. Yukimura: Chair, I think the proper format, unless we want to receive this and kill it, would be to put it back into Committee and send a request to the Ethics Board for their input on the matter.

Chair Furfaro: Well, I think Mr. Rapozo gave a very excellent recommendation there. That is the next more superlative degree of the decision here because it affects Ethics, so Ethics should maybe be working on it there and perhaps Nick can carry that message back to them that we plan to send a draft to them and would appreciate them discussing it within their own committee meeting.

Ms. Yukimura: Chair, I think that is a great idea, but if they come back and say they want it, I think we need to have the Charter Amendment available for passage. So we refer it back to Committee so we can do some work in it if they come back to us with suggestions.

Chair Furfaro: What Committee did this come out of?

Ms. Yukimura: Committee of the Whole, I think.

Chair Furfaro: It went right into the full Council. It never went to a Committee.

Ms. Yukimura: Yes. Thank you. We can still refer it to Committee. I do not think there is a problem with that.

Chair Furfaro: Okay. I will recognize Mr. Bynum.

Mr. Bynum: Sticking with the process issues, this is Councilmember Yukimura's proposal. It is before the Council. I am willing to support keeping it alive if the timetable is to do more due diligence. I would support Councilmember Yukimura's, but I would like questions with the Clerk—we are on a tight time schedule here. I will just say that based on the earlier question, I do not know if we will meet the timetable and have those questions answered in order to garner my support because what I needed is, can we deal with it the two other matters that I said? But I think we should honor the work and I applaud the work that JoAnn is doing on this. It is an important issue. It may not be the right time for a Charter fix, but it is going to lead me to ask the questions that I asked today in a more formal matter, if we have time to do that. I support keeping it in the Council, but also engaging the Committee. If there is a consensus, there is no reason to do that needlessly, JoAnn. If there is a majority here that says, "No, not this year," maybe we should deal with it today because we have several others. Those are my thoughts about the process.

Chair Furfaro: Okay. This is what I would like to do, folks, because we need to move on here. I will now, because JoAnn twisted my arm, take it in the Committee of the Whole in three (3) weeks. I would like next week for someone to be able to get some commentary to the Commission so that we have some comments from them to work on. Is that possible? Can you do that for us, Nick?

Mr. Courson: I have to check if there is time to agenda this still. The Board meets next week, so if there is time and I can get it on the agenda, I can certainly have that done, but I am not certain if I have already run into that.

Chair Furfaro: You need six (6) days to post it, so you may have already run into that.

Mr. Courson: Actually, I think I can get it done, Chair.

Chair Furfaro: I would like it to be in their commission for discussion and I would take it not as one who is doing anything other than having it in the Committee of the Whole in three (3) weeks. Is that acceptable to everybody? Can I then get that motion?

There being no objections, the meeting was called back to order, and proceeded as follows:

Ms. Yukimura moved to refer Resolution No. 2014-22 to the Committee of the Whole Meeting on July 2, 2014, seconded by Mr. Chock.

Chair Furfaro: Are you going to give us public testimony? Okay, we are on a recess for ten (10) minutes. I will take public testimony when we come back, and then we will go to our friends who are here.

There being no objections, the meeting recessed at 11:14 a.m.

The meeting reconvened at 11:25 a.m., and proceeded as follows:

Chair Furfaro: We are now back from our caption break. I believe there are two (2) members from the public who would like to give testimony

on this item. At this point, the item is going over for commentary to the Ethics Commission and will not be back on the agenda until July 2nd.

There being no objections, the rules were suspended.

ROB ABREU: *Aloha* members of the Council. Rob Abreu for the record. I did not even realize that this was coming up for a chance to be a charter amendment. One of the things that I have heard this morning from someone or from Councilmember Yukimura is that this would widen the scope of this Charter Amendment. If this Charter Amendment comes through, it is going to narrow the scope of what the Charter Amendment is about— excuse me, it is going to widen the scope, not narrow it. It will widen the amount of people that can come before this body or a member to speak on issues not pertaining to the government, which is outside interests. A couple of things that I have heard about freedom of speech here is we are talking about a select member of employees of the County of Kaua'i, as I believe has been argued before, and has been said that members of Boards and Commissions are employees of the County. Sitting back and hearing the going back and forth between the code of conduct of employees and stuff like that is you could even argue that this would be giving a special benefit to certain members of employees; giving them leeway to come in front of a body that they have private interests outside of their employee. The other thing I have heard is that we have members of the community that feel like they cannot become a Board or Commission member because of this limitation. The fifteen (15) years I have lived on this island, I have not once seen from the Administration asking for members of this community to come forward to serve on these Boards and Commissions. There are sixty-five thousand people (65,000) people on this island and this Charter Amendment would benefit approximately two hundred (200) people who are employees with the County. When the Administration makes the effort to include the entire island community into these Boards and Commissions, I do not think this issue would be a problem. I think there are many members of this community that would have no problem being a board member and not bringing up private interests in front of the County Council.

SCOTT K. SATO, Council Services Review Officer:

Three (3) minutes.

Mr. Abreu: Or in front of a board. We are talking about members of Boards and Commissions, who are recycled over and over. There is a select body that is chosen to become members of Boards and Commissions. They serve on one (1) commission six (6) years; wait one (1) year and six (6) more years, they are on another Board and Commission. There is no new blood being brought into the Board and Commissions because it is never asked to the entire community and, "We need help on this Board and Commission. Come forward." There are thousands of people on this island that would love to become a member of a Board and Commission and they are never asked to become... there is never any solicitation for new members; new blood. By this coming before this Council, it is only these members that feel like they cannot come in front. It is not the sixty-five thousand (65,000) people; this community. It is a certain portion of employees that do not feel like they can come and do what they feel they should do or feel like their free speech can do it. That is a condition when they accept the Board and Commission appointment. This is laid out in front and these are the things that are expected of you and these things that are limited to you. Like Mr. Rapozo said, it is a choice. That person has a choice. If their private interests outweigh the benefit of becoming a Board and Commission member, then do not become a Board and Commission member. Keep your private interests and you can do whatever you

want, but if you choose to become or willing to serve on a Board and Commission, these are your limitations. The biggest thing is... Councilmember Yukimura says she does not see the conflict. Well, there might or there might not be a conflict. That is not for me to decide. That is not for you to decide. That is for the individual to decide. What the public sees is the appearance of a conflict. It is not is there or not is there; it is the appearance and that is what the Charter says, "the appearance of a conflict." To me that is what the public sees and that is what the sixty-five thousand (65,000) people on this island see as "the appearance." If you think someone does, there are ways to address that issue. If you do not think it, then there is not a way to address it and you do not address it. To send this to the people to vote on at this point, when this body does not even understand what would happen, I think is a disservice to the community. Once there are pros and cons and the ramifications of pros and cons of this passing or not passing or clearly addressed, I do not think...

Chair Furfaro: Rob, I have given you your entire six (6) minutes.

Mr. Abreu: Thank you. I appreciate it.

Chair Furfaro: Anyone else? Mr. Mickens, please come up.

Mr. Mickens: Thank you, Jay. For the record, Glenn Mickens. I just want to say that I agree with Rob, Mel, and Gary. I think this would broaden it. If it is not broken, do not fix it. I do not see it is broken at this stage of the game, so I do not see why we should have a charter amendment to do anything with it. I completely agree that by broadening this thing, I think you are opening the doors for problems. I think the Charter was wise enough in its language to make sure this did not happen in the first place. As Rob said, in his fifteen (15) years... I have only lived here twenty-five (25), but I cannot remember there being a conflict with this. Thank you, Jay.

Chair Furfaro: Thank you. I think that is all the public testimony we have. I want to make sure that we understand that I want commentary to come from the Ethics Board, as Mr. Rapozo mentioned. Quite frankly, if the Ethics Board sends back nothing, I am wrestling with the fact that if any changes are necessary at all. The plan is to refer this to July 2nd, I think, at this point. Can I have a motion to refer?

Mr. Sato: We have a motion, Chair.

Chair Furfaro: Thank you very much. Further discussion?

There being no objections, the meeting was called back to order, and proceeded as follows:

Mr. Rapozo: Much has been said about the freedom of speech and thank you for passing out the interpretive rules, but it is very clear in the rules that the term "appear" shall mean "providing of oral or written testimony at a publicly noticed meeting or hearing of a board or commission. Written or oral communication with agencies outside of a publically noticed meeting or hearing shall not constitute an appearance." Again, the interpretation "shall not prohibit an individual's right to testify at a meeting or hearing of a County board, commission, or agency regarding his or her personal opinions." He is protected. He can come up

regardless what... he can even come up and testify. Also, as it relates to nonprofits and businesses, an officer's or employee's business or professional partners or associates right to practice or appear before a County agency is not prohibited. If an executive director is a board member, he or she may not come as to represent the agency, but the partners can; the assistant or the managing director. So nobody is prohibited. No organization is going to be prohibited from participating in the process with the Charter and the interpretative rules as it reads today. I will not be supporting the motion refer, Mr. Chair, simply because I totally disagree with this. I do not think that this is the right time. I agree with Mr. Abreu. He must have read my mind or my notes while I was on break because everything that he said is what I just told Mr. Kagawa outside. When was the last time did you see a posting in the newspaper about this County looking for Commissioners? Never. It is like a conveyor belt that you just rotate Commission to Commission. There are so many people, thousands, who are willing to serve that have no external connections with any type of special interest. We just have to go out and find that. Thank you.

Chair Furfaro:

Mr. Kagawa.

Mr. Kagawa: Thank you, Chair. For us to propose a charter amendment, there has to be a strong need. If the bicycle is not broken, do not fix it. With charter amendments, I remember many years of helping friends and family get educated about how they should vote on charter amendments because for a lot of the general public, they really go to the polls to vote for candidates for specific offices and when they are flooded with charter amendments that they do not understand, they will ask and I would say, "Well, one to four vote 'no,' five 'yes,' and the rest 'no.'" That is how I give advice based on how I studied it and how I felt on it. I am just afraid that if we put a lot of amendments that do not need to be on there, we may come up with results that may not be the true feelings of our people. I think we should limit our charter amendments to a few that are really intended to fix something that is broken, in our view that can be fixed. In this case, I do not see that the bicycle is broken *per se*. I will have a very hard time supporting this Charter Amendment, even though it goes to another step or two. Thank you.

Chair Furfaro:

Further discussion? JoAnn.

Ms. Yukimura: I introduced this because the present provision appeared to be creating problems of prohibiting people from testifying on behalf of organizations where there was no conflict of interest. The example of Gina Kaulukukui is a great one. She just came at our previous meeting. This Charter provision prevents her, as a County employee, from speaking on behalf of Life's Bridges seeking to prevent suicides and it prevents others from testifying on behalf of, like Mark Hubbard of Keiki to Career, or our Chair testifying on behalf of Habitat for Humanity, where there is no conflict of interest. It made sense to me to remove those kinds of situations from the prohibition and that was the effort. I have been very open to hearing where the proposed amendment might allow things where there are actual conflicts of interest because that is not my intention. If there is a way to craft the proposed Charter Amendment to make the proper distinction between where there is a conflict of interest and where there is not a conflict of interest. I feel that is how our laws should be crafted. I see this as a process of democracy. I think getting opinions from the Ethics Commission is a very good idea and I appreciate all of the input that has been given here, too. I hope that we can just follow this process. I am not attached to any particular outcome here. I just want the best in terms of the best law that would allow people to function best in this organization called the County.

Chair Furfaro:

Mr. Hooser.

Mr. Hooser: I appreciate Councilmember Yukimura's attempt to refine the language in the Charter Amendment and to deal with this issue. However, I am not convinced that it rises to the level of needing to be amended. As the County Attorney mentioned, we could invite people and the Ethics Commission has set precedent now where we can invite people to speak to us if we want them to come. It does not seem to be a huge issue and I am very, very concerned that by attempting to resolve a small issue, we will inadvertently create a larger one and really do not believe that the action is needed to amend the Charter and put it on the ballot. However, in deference to my colleague in wanting further discussion of the issue, I am open to that as well. Thank you.

Chair Furfaro:

Okay. May I have a roll call vote, please?

The motion to refer Resolution No. 2014-22 to the Committee of the Whole Meeting on July 2, 2014 was then put, and carried by the following vote:

FOR REFERRAL:	Bynum, Chock, Hooser, Kagawa, Yukimura,	
	Furfaro	TOTAL – 6,
AGAINST REFERRAL:	Rapozo	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Chair Furfaro: scheduled certificate presentation.

That piece is done. We will now take up the

There being no objections, the meeting recessed at 11:41 a.m.

The meeting reconvened at 12:22 p.m., and proceeded as follows:

Chair Furfaro: We are going to break for lunch so that we have an opportunity to say goodbye to our friends here. We will be back at 1:30 p.m.

There being no objections, the meeting recessed at 12:22 p.m.

The meeting reconvened at 1:48 p.m., and proceeded as follows:

Mr. Chock: We are back. The Chair has left for the day because he was not feeling well, as those of you have seen. We will call this Council Meeting back to order from lunch. Mr. Clerk, did you want to go to the Executive Session next?

Mr. Sato: Vice Chair, we have an item on page 2, C 2014-125 and the corresponding ES-722, which we received a request to defer.

Mr. Chock:

Okay.

COMMUNICATIONS:

C 2014-125 Communication (04/17/2014) from the County Attorney, requesting authorization to expend funds up to \$15,000 to retain Special Counsel to

advise the Council concerning coverage under the County's insurance policy with Everest National Insurance Company, in connection with the lawsuit Tim Bynum vs. County of Kaua'i, et al., Civil No. CV12-00523 JMS-RLP (United States District Court), and related matters: Mr. Rapozo moved to defer C 2014-125, seconded by Mr. Hooser, and carried by a vote of 4:1:1:1 (*Mr. Kagawa voting no, Chair Furfaro was noted as excused, and Mr. Bynum was noted as recused*).

There being no objections, ES-722 was taken out of the order.

EXECUTIVE SESSION:

ES-722 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and (8) and Kaua'i County Charter Section 3.07(e), the purpose of this Executive Session is to provide the Council with a briefing concerning the coverage provided by the County's insurance policy with Everest National Insurance company for attorneys' fees arising in connection with the lawsuit Tim Bynum vs. County of Kaua'i, et al., Civil No. CV12-00523 JMS-RLP (United States District Court), and related matters. This briefing and consultation involves consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item: Mr. Rapozo moved to defer C 2014-125, seconded by Mr. Hooser, and carried by a vote of 4:1:1:1 (*Mr. Kagawa voting no, Chair Furfaro was noted as excused, and Mr. Bynum was noted as recused*).

Mr. Chock:
please.

Thank you. Let us move to our next item,

COMMUNICATIONS:

C 2014-173 Communication (04/25/2014) from the Director of Parks and Recreation, requesting Council approval to accept a monetary donation in the amount of \$75.00, from Susan Sulla for Po'ipū Beach Park: Mr. Kagawa moved to approve C 2014-173 with a thank-you letter to follow, seconded by Mr. Rapozo.

Mr. Chock: Do we have anybody here who would like to comment on this from the Administration? Would anyone like to testify on this item? Seeing none, let us move on.

The motion to approve C 2014-173 with a thank-you letter to follow was then put, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

C 2014-174 Communication (05/12/2014) from the Housing Director, requesting Council approval for the following:

- 1) Acquisition of a residential unit at 3560 Pilialoha Street, Hanapēpē, Kaua'i, Hawai'i, TMK: (4) 1-8-015-066, for a purchase price of not more than \$350,000 under the County's Community Development Block Grant (CDBG) Program based on the fee simple market appraisal;
- 2) Resale of 3560 Pilialoha Street, Hanapēpē, Kaua'i, Hawai'i, by leasehold for not more than the leasehold market

appraisal, which will be obtained through this transaction;
and

- 3) Authorize the County Clerk to sign legal documents related to these transactions.

Mr. Rapozo moved to approve C 2014-174, seconded by Ms. Yukimura.

Mr. Chock: Is Kamuela coming to speak on this item? I do not see him in here.

Ms. Yukimura: Do we need him?

Mr. Chock: No. Are there any questions for Kamuela? Seeing none, would anyone like to testify on this item?

The motion to approve C 2014-174 was then put, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

C 2014-176 Communication (05/23/2014) from the Housing Director, requesting Council approval for a leasehold sale of a residential unit located at 5116 Apelila Street, Kapa'a, Kaua'i, Hawai'i, under the County's Community Development Block Grant (CDBG) Program, TMK: (4) 4-6-036-115, to a participant on the Affordable Housing Waitlist whose household income does not exceed 80% of the Kaua'i Median Household Income (KMHI), and to authorize the County Clerk to sign legal documents related to this transaction: Ms. Yukimura moved to approve C 2014-176, seconded by Mr. Rapozo, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

LEGAL DOCUMENTS:

C 2014-178 Communication (05/15/2014) from the County Engineer, recommending Council approval of a Right-of-Entry Agreement between the County of Kaua'i and the State of Hawai'i Department of Land and Natural Resources (DLNR), to allow the design consultant to conduct and gather the necessary topographic field survey information for the Kanaele Road Shoulder Reconstruction and Slope Stabilization Project, situated at por. of Kapa'a Rice and Kula Lots, Kawaihau, Kaua'i, Hawai'i, TMK (4) 4-5-015:030 and indemnify the State of Hawai'i Department of Land and Natural Resources as stated in the Agreement.

- Right-of-Entry Agreement
- Indemnification provisions contained in the Right-of-Entry Agreement

Ms. Yukimura moved to approve C 2014-178, seconded by Mr. Kagawa, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

C 2014-179 Communication (05/28/2014) from the County Engineer, recommending Council approval of a Right-of-Entry Agreement between the County of Kaua'i and the State of Hawai'i Department of Education, for the resurfacing of Mailihuna Road, situated at Kapa'a, Hawai'i, TMK: 4-6-014-031 and indemnify the State of Hawai'i Department of Education as stated in the Agreement.

- Right-of-Entry Agreement

- Indemnification provisions contained in the Right-of-Entry Agreement

Ms. Yukimura moved to approve C 2014-179, seconded by Mr. Kagawa, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

CLAIM:

C 2014-180 Communication (05/27/2014) from the Deputy County Clerk, transmitting a claim filed against the County of Kaua'i by Cameron Raymond, for damages to his vehicle, pursuant to Section 23.06, Charter of the County of Kaua'i: Mr. Kagawa moved to refer C 2014-180 to the County Attorney's Office for disposition and/or report back to the Council, seconded by Ms. Yukimura, and carried by a vote of 5:0:2 (*Mr. Bynum and Chair Furfaro were excused*).

COMMITTEE REPORTS:

ECONOMIC DEVELOPMENT (SUSTAINABILITY / AGRICULTURE / FOOD / ENERGY) & INTERGOVERNMENTAL RELATIONS COMMITTEE:

A report (No. CR-EDR 2014-02) submitted by the Economic Development (Sustainability / Agriculture / Food / Energy) & Intergovernmental Relations Committee, recommending that the following be Received for the Record:

"EDR 2014-02 Communication (04/22/2014) from the Director of Economic Development, requesting agenda time to present the feasibility study results for the Kaua'i Made / Kaua'i Grown Retail Outlet & Food Processing Center,"

Ms. Yukimura moved for approval of the report, seconded by Mr. Hooser, and carried by a vote of 5:0:2 (*Mr. Bynum and Chair Furfaro were excused*).

FINANCE & ECONOMIC DEVELOPMENT (TOURISM / VISITOR INDUSTRY / SMALL BUSINESS DEVELOPMENT / SPORTS & RECREATION DEVELOPMENT / OTHER ECONOMIC DEVELOPMENT AREAS) COMMITTEE:

A report (No. CR-FED 2014-26) submitted by the Finance & Economic Development (Tourism / Visitor Industry / Small Business Development / Sports & Recreation Development / Other Economic Development Areas) Committee, recommending that the following be Approved on second and final reading:

"Bill No. 2544 A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2013-753, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2013 THROUGH JUNE 30, 2014, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND (*Office of Economic Development, Wages and Hourly Pay – Ka Aha Hula O Halauola Conference Assistant – \$12,000,*"

Ms. Yukimura moved for approval of the report, seconded by Mr. Rapozo, and carried by a vote of 5:0:2 (*Mr. Bynum and Chair Furfaro were excused*).

Mr. Chock:

Next, we have Resolutions.

RESOLUTIONS:

Resolution No. 2014-27 – RESOLUTION PROPOSING A CHARTER AMENDMENT RELATING TO THE COST CONTROL COMMISSION: Ms. Yukimura moved for adoption of Resolution No. 2014-27 on second and final reading, seconded by Mr. Kagawa.

Mr. Chock: Would anyone like to speak on this item?
Further discussions on this item? Councilmember Kagawa.

Mr. Kagawa: I think I have a question for the maker, I guess. Was this in reference to Mr. Shimokawa from Kaua'i Community College (KCC), who was I guess an Accountant or what have you there and he applied for a Cost Control here and we could not approve him because he works for the State? Again, similar to my last comments about charter amendments, I really feel like charter amendments should really be for big-fix items because I am reluctant to support charter amendments that will go on the ballot and like I say, I believe people go to vote to vote for candidates and for specific issues. I think charter amendments are not something that is priority to voters and the majority of them do not get as educated as we would hope on what they are voting for. Instead, a lot of them will either vote all "no" or all "yes" or they will ask a friend as to how they should vote, instead of voting for candidates where they really make up their own minds in most cases about how they feel and about who they want to support. Again, on this one, while I feel like Mr. Shimokawa is an exception, I do not think we should be changing the Charter just because of one instance. Mr. Shimokawa is definitely a shoe that would fit well. There are other people that could fit well into the Cost Control Commission from the private sector and I believe that it is Paula's job as head and her staff to find people from the private sector that can fulfill that need. I have not seen really great things in recent months from the Cost Control Commission. We are having a lot of problems with overspending in our County and I would really like to see an aggressive bunch from the private sector propose some good cuts for us because look at our last budget— What did we do to handle the rising costs of government? We increased taxes and we increased fees. We did not come up with good, solid cost control methods and reduce the cost of County government. Basically, we are not expanding our County government; we are basically doing the same thing, yet we are asking the people to pay more with taxes and licenses. I understand and appreciate Councilmember Yukimura's want to try and make the Cost Control Commission better, but I do not think putting it on a charter amendment for one instance is, to me, the right thing to do. I will not be supporting this Resolution.

Mr. Chock: Councilmember Rapozo.

Mr. Rapozo: I think I said a lot in the earlier Resolution, as well, that the Charter is such a sacred document that we come up with a candidate for a the Cost Control Commission— and it was this Council... it was me— I will not say that to brag, but it was me because I read and it is clear, even on the application where you sign, it says, "I attest to the fact that I am not employed by any government agency." The poor gentleman, who is very qualified, comes up here and we call a recess and go to the Commission person, "Hey, he cannot be here. He is a great candidate. The guy is stellar, but he is not qualified." So, we come back and do a Resolution to change the Charter to accommodate a gentleman. I cannot support that. Ross touched on a very important issue. The Cost Control Commission— if you read the Charter, it does not talk about finding more revenue

to spend more money. It specifically states "to reduce the cost of government through deleting duplication of services and so forth." The Cost Control Commission, as long as I have been on this Council since 2002, has not done that. The reason this is in there, and for the public's information, one of these sections says "there shall be a Cost Control Commission composed of seven (7) members not employed in government service." The reason for that is because this government, this County, receives grants from the Federal government, the State government, and they spend County money, so it would be an inherent conflict in a sense for a State worker, Federal worker, or County worker for that matter to sit on there and try to cut spending from their branch of government. That is why it is in here. This is the only Commission that has that prohibition, rightfully so. I have yet to see some meaningful recommendations from the Cost Control Commission, but it is sorely overdue. To change the Charter because we want one (1) person to serve on there... so now we discount the County employees, but we will let Federal and State employees sit on the Commission is... I do not see the logic for that. If you work for the government and your government agency is responsible for funding certain parts of our local government, then you should not sit. What is good for one is good for all is what I am trying to say. If you cannot sit as a County government worker, then you should be able to sit. I think our forefathers who crafted this section in the Charter knew exactly what they were doing. I cannot support this, as much as I would love to see the gentleman serve on the Cost Control Commission. Again, there are so many other qualified people that could serve and that is our Charter Commission's function, which is to go find them. Thank you.

Mr. Chock:

Councilmember Yukimura.

Ms. Yukimura: This amendment is not being proposed for one (1) person. This amendment is being proposed because it was brought to light when a highly qualified person was proposed to be on the Cost Control Commission, and by the language of the Charter, was not allowed to. There is no inherent conflict of interest to have someone who is in the administrative offices of the community college sit on a Commission that is designed to look for ways to control costs in County government. There is no conflict that I can see. What this provision is doing is precluding qualified people from sitting on a Commission where their skills could be very well used. To me, that is bad policy and that is why I am proposing a change because it disqualifies a lot of potentially highly-skilled people who could contribute a lot. We have a lot of people who are State employees serving on a variety of our Commissions and they are contributing greatly to the decision-making processes in the County. The incident with Mr. Shimokawa just showed us how dysfunctional this provision of the Charter was and that is why I am proposing to propose it to the people of this island, who are the only ones who can change the Charter, for their decision about this matter. This is part of the rules that are setup by vote of the people that this is how we change our Charter. This is a Charter provision that we are trying to change, so this is truly a Charter Amendment. It just baffles me that there would be opposition to a proposal like this.

Mr. Chock:

Councilmember Hooser.

Mr. Hooser: I apologize for further baffling you. I am unable to support it as well. I believe that the example being used is a good one in terms of this particular person that we are discussing was very qualified. I think he was an Accountant or Certified Public Accountant (CPA), but the next person who comes along next time may not be as qualified. I think that the underlying purpose

of the Cost Control Commission is to cut costs and the prohibition against government workers was put there specifically because the original intent was the private sector advice is what is needed. We have a lot of government people doing it, so I am unable to support the Charter Amendment proposal because again, I believe that the private sector is what is intended in existing language and I believe that is the best language and the best intent. Thank you.

Mr. Chock:

Councilwoman Yukimura.

Ms. Yukimura: If a person is not qualified, then it is the job of this body to not confirm him. That is the process. If a person is qualified, we are not even able to consider him because of this flat prohibition that has no real logic to it. It disqualifies qualified people and it does not make any sense. People who have served in government have great potential for recognizing where government can save money and private sector as well. This is not holding out any private sector people, but it is holding back, without good reason, people who could really serve well on the Cost Control Commission.

Mr. Chock:

Councilmember Rapozo.

Mr. Rapozo: I agree that people that have served in government would make great people on this Commission, so find a retired government worker and get them on the Commission. You said it makes no sense, JoAnn, and you said it is not practical, but I already count three (3) Councilmembers who disagree. Because it does not make sense to you, JoAnn, does not mean that it is wrong. The Charter... again, I remember having... not me, it was another Councilmember with Councilmember Tokioka once on a Charter Amendment and one of them got really offended when he said, "The Charter is like the Bible." I will not go as far as to say that the Charter is like the Bible, but unless there are some issues that are widespread that would require the change of the complete self governance document of this County, we cannot be changing the Charter just because we want to see one (1) gentleman go on that Commission. JoAnn, that is what happened. That is why this was initiated and they never filled that position, hoping that this will pass, so they can bring him on. That is what is going on.

Ms. Yukimura:

Why not?

Mr. Rapozo: So you tell me this Resolution is not specific for that candidate, but I disagree. I am not going to support a Charter change to accommodate one (1) person, who throughout this island of Kaua'i, the new commissioner, office, or department, whatever it is called, cannot find a qualified person for this Commission, then maybe we need to look at that Commission or that office and find out why they cannot. Again, you put an ad in the newspaper—mark my word— if you put an ad in the paper this week saying, "The County of Kaua'i is looking for a volunteer to serve on the Cost Control Commission, which is tasked with finding and recommending cost-cutting measures for the County of Kaua'i Administration. Please submit your names." You would have an influx of qualified people. The County will not die if the gentleman cannot get on this Commission. We will continue to function and there are many other people that could fit that bill. I am done. Thank you.

Mr. Chock:

Councilmember Yukimura.

Ms. Yukimura: This is not about the fact that there are not qualified people right now. This is the fact that this prohibition has no rational basis for it and that it is disqualifying not one, but many potential people now and in the future, from serving when they would otherwise be qualified. This is not about one (1) person. The incident of one (1) person brought the issue to light, but this is barring a class of people for no real reason. That is why I believe a change is merited. I am trying to argue on the merits of the issue and so I am just putting forth arguments as to why I believe this is a very sensible thing to do.

Mr. Chock: Further discussion? Councilmember Hooser.

Mr. Hooser: I disagree that there is no rational basis. I think there is a very rational basis that people from the private sector work in a different environment than people in the public sector. It is just a fact of life. We cannot go out of business here because we have taxing authority. People go out of business every day in the private sector. People in the private sector are forced to innovate and forced to cut costs and forced to do many things that the government is not to do. I think the intent of the language is to put people like that who have experience in the private sector to look at government from the outside of different perspectives is a very real rational basis for having that kind of different perspective on the Cost Control Commission to help us cut costs with those perspectives. Thank you.

Ms. Yukimura: I agree that private sector viewpoint is very important, but I do not think they are the only ones who can find ways to cut costs in government and the main purpose of Cost Control Commission is to identify places where you can cut costs without causing undue or unintended consequences. Sometimes people who have been in government can help with that problem; that problem solving. So it is not about one or the other; it is about whether you could have both and I think it would be useful to have both kinds of people on the Commission.

Mr. Chock: Any further discussion? Are you sure?

Mr. Kagawa: Call for the question.

Mr. Rapozo: Yes, call for the question.

Mr. Chock: I am sorry. Do you have something else?

Mr. Hooser: Does a motion to receive preempt a motion to approve?

Mr. Rapozo: I would suggest that we just sustain the motion because it needs five (5) votes to pass the Resolution for a charter amendment.

Mr. Hooser: Okay.

Mr. Rapozo: Yes. It needs five (5) votes to pass for a charter amendment resolution, so it is done.

Mr. Chock: Yes. We are not going to get there, so we will just go through the process here with a roll call.

The motion to adopt Resolution No. 2014-27 on second and final reading was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Yukimura	TOTAL – 2,
AGAINST ADOPTION:	Hooser, Kagawa, Rapozo	TOTAL – 3,
EXCUSED & NOT VOTING:	Bynum, Furfaro	TOTAL – 2,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Mr. Chock:

Next item.

Resolution No. 2014-29, Draft 1 – RESOLUTION PROPOSING A CHARTER AMENDMENT RELATING TO SETTING GOLF COURSE FEES: Ms. Yukimura moved for adoption of Resolution No. 2014-29, Draft 1 on second and final reading, seconded by Mr. Rapozo.

Mr. Chock:

Councilmember Kagawa.

Mr. Kagawa: I just want to ask the maker of the Resolution, what is the reason for proposing this Charter Amendment to take away the power of the Council to set the fees through all of these years and now to possibly allow the Mayor to set the fees? What is the reason? Is the reason that giving away that power is going to allow the Mayor to make the golf course change its fees sooner? Can I find out what the reason is?

Ms. Yukimura: Thank you for asking. It is not going to be the Mayor who sets the golf course fees. Hopefully, it will be a golf course manager who can run the golf course more like a business. Even as we say that the golf is going to offer package deals for the Coconut Coast, they cannot really do that because they cannot change the fees without a Council vote. It will enable this kind of flexibility, both to go up and to go down. The Council, however, has to delegate. It just enables the Council to delegate, but we can delegate under certain conditions. We can say that certain fees should not be touched, whatever it is, but that would be up to us in an ordinance by which we delegate the power so we can control it, but it takes so long for this body to set the fees, and by the time the market may have changed, as we saw, when we raised the fees in the non-resident golf category; that is what tourism was beginning to tank. We should have raised it a couple of years before when tourism was really healthy. But this body does not enable the golf course to run in a way that maximizes the fees for the golf course. As you know, we are subsidizing the golf course right now by one million dollars (\$1,000,000) a year from the General Fund, so there needs to be more effort in the fees. It does not mean that we cannot still keep those categories of senior and non-resident. We could even by ordinance designate that we have these categories, but it still allows the management of the golf course to have some flexibility so they can do it in time for the market.

Mr. Kagawa: I hear your rationale. For me, I think the Council process and the Administration process of coming here, asking us, and proposing us a set of fees for us to approve... their rationale of why things should change— I think it allows the public time to come up and state their concerns. I think if we do away with that process, we give away the ability of the public to speak before us prior to changes happening. That is my only concern. Why would we just give away our power that we have? I do not think it is the Council's fault why the play has slowed down. I think play has slowed down at Kiahuna and

Kaua'i Lagoons. There are a lot of good courses on Kaua'i and we are all fighting for the same; we are fighting for the non-resident play. I am concerned that we are blaming the fees for something that is beyond our control at times. Sure, everything can improve, but I certainly do not think giving the power away to the Administration is the solution. I think it is having some bright, new proposals by the Administration that we can approve in a normal process that can actually make this thing work. Again, I am hesitant for a "knee-jerk reaction" and put it on the Charter, which personally again, I do not feel the public pays much attention to Charter Amendments unless they are really important and meaningful to them. Again, I hope the Council can control what we can control and put things on the Charter that is really needed. I am hesitant. Thank you.

Mr. Chock: I think there is another question from Councilmember Hooser.

Mr. Hooser: I have some discussion.

Mr. Chock: Go ahead. We can discuss now.

Mr. Hooser: I am also struggling with this having been involved in this from prior years. The golf course— as Councilmember Rapozo mentioned "The Bible" earlier, but I will say it is sacred to a good portion of our community and I would like to honor that. There are a number of people who live for it every day and they are on fixed incomes or limited incomes. I have been through rate increases before, and it is a big political thing, and the people fill this room and they submit letters. But that is okay; that is our job. It is our job to deal with it and I do not believe we should give something away to the Administration because we do not want to deal with it or because it is more expedient. I do not want to take away from the opportunity of golfers in the community to weigh in and have seven (7) Councilmembers vote on it. The Administration can certainly come up with a plan. They can propose rates and increases and present it to us after they do their due diligence, and then we can pass it as expeditiously as possible. I am unwilling now to take this step. Again, I do not believe it really rises to the level of a charter amendment. Thank you.

Mr. Chock: I am going to go to Councilmember Rapozo. I know you have some comments as well.

Mr. Rapozo: Thank you, Mr. Chair. The language of this Amendment would give the Council the authority to delegate the entire fee setting process to the Administration with no Council input. What I saw this last budget; tipping fees, vehicle tax fees, real property tax, and all these increases— at least we had an opportunity. I had an opportunity to vote "no" and I could justify my vote one way or the other, simply by the process getting set on this table, which is where belongs. That is the legislative function, not the executive function as far as setting fees. Everything that is set in this County, whether it is running a convention hall, stadium; it is set by us. That is our function. This would take that away and allow— I am just going to say... not that Mayor Carvalho would do it, but on any Mayor, because the Charter lives forever. You could get a Mayor that is on his or her last term and just say, "Hey, let us just soak to the golfers." Our golf courses are awesome. You bring in a private golf course manager who says, "For this course, we could be charging eighty-five dollars (\$85) a round based on the quality, difficulty, course rating, and slope rating. Let us do it." Imagine that— eighty-five dollars (\$85) a round; *kama'āina* rate, sixty dollars (\$60). We would not have a say

on this table. The public would not have a say. They would not have a chance to not elect the Mayor the following term if that is his last term, so the people get stuck with it. This completely takes the public out of the fee setting structure for Wailua Golf Course. You will not find another fee on this island that is set by the Administration. The reason for that is because they want the public to have the opportunity to come on that table and say, "That is not fair. That is too high. Or that is too low." We do not hear that too much, but the bottom line that is what this venue is for. That is why it is here. Seven (7) people supposedly representing the entire island to get the constituents positions on these fees, but this just takes us out of the loop and puts it in the executive branch, which in a perfect world may work. But in a non-perfect world, which we live in, it can cause serious problems, so I will not be supporting it. Thank you.

Mr. Chock:

Thank you. Councilmember Yukimura.

Ms. Yukimura:

It is not true that the Council would give the rate setting fee, lock stock, and barrel to the Administration. We have to delegate the fee setting power by ordinance. In that ordinance, we can set restrictions, guidance, or whatever we want to and there would be a public hearing on that ordinance. We can also repeal the ordinance if there is abuse by the Administration. The reason I feel that this is important is because the golf course needs to be run more like a business, but still with that public idea in mind. I am thinking about the sustainability of this golf course because it cannot continue to go as it is; losing one million dollars (\$1,000,000) a year or even more as it goes on without putting any reserves aside for the major kinds of upkeep and repair that we should be doing on the golf course. Long-term— this is about the survival and sustenance of the golf course. As I said, there has been all of this talk about doing packages as a promotion for the Coconut Coast and that is not possible because it is about changing the fees. There needs to be more flexibility. It can be under control of the Council, but not the Council doing the exact fee setting, which should be done based on the market, based on the priorities of government, and we can specify that in the ordinance and repeal the ordinance, if there is abuse. There is Council control over the matter, but there is also the opportunity to be more entrepreneurial, which I think we have to be if we want to see this golf course survive and thrive.

Mr. Chock:

Thank you. At this time, I will call for public testimony. Does anyone from the public wishing to testify on this item? Seeing none, any further discussion before I call for the vote? I will just say that as I read it here, "the Council shall by ordinance fix the fees and charges for all services rendered by Wailua Golf Course" or "it may by ordinance specifically delegate its authority in part or as whole to the executive branch as it deems necessary or desirable." I would have to agree with Councilmember Yukimura on the need for flexibility and ability to run this course as a business. I will be voting in favor of it. May I have a roll call, please?

The motion to adopt Resolution No. 2014-29, Draft 1 on second and final reading was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Yukimura	TOTAL – 2,
AGAINST ADOPTION:	Hooser, Kagawa, Rapozo	TOTAL – 3,
EXCUSED & NOT VOTING:	Bynum, Furfaro	TOTAL – 2,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Mr. Sato: The motion fails.

Mr. Chock: Thank you. Next item please.

Resolution No. 2014-36 – RESOLUTION PROPOSING A CHARTER AMENDMENT RELATING TO ANY COUNTY COUNCIL VACANCY IN OFFICE: Mr. Rapozo moved that Resolution No. 2014-36 on first reading be ordered to print, that a public hearing thereon be scheduled for July 9, 2014, and that it thereafter be referred to the July 23, 2014 Council Meeting, seconded by Mr. Kagawa.

Mr. Chock: Any questions, Councilmembers? I will first ask for public testimony on this item. Would anyone like to testify on this item? Seeing none, further discussion as we refer this?

Mr. Kagawa: We have basically been two for two in past two elections where in both previous terms of the Council, we have had to pick a new Councilmember. When you have a trend like that, it is likely that it is going to happen again. It is a high probability. In the last selection, I was stressed, to say the least. I gave commitments to at least six (6) people and we are only picking one slot, but it is tough. We have a lot of good people out there, who have served and who have not served, that would make great Councilmembers next to us. We all know that. There are stellar people out there where a lot of them whom people cannot urge them enough to throw their name in there. I think this Charter Amendment will actually be one that I think the public will pay attention to and we will see whether it goes up or down. Some may feel that if you are not in the top seven, then you have no right as the eighth place to expect to fill the next vacancy. I have heard a lot of people who, especially who were involved in my campaign, that said, "Remember how tough it was to go out there and campaign and to go through the forums?" I remember that our last eighth place finisher up to the last printout thought he had made it and I even offered my congratulations. At the last printout, things changed and he was very disappointed. To me, I believe that a lot of blood, sweat, tears, and what have you goes into running and to finish just one slot out of the Council— I think it is an accomplishment and I believe that the voters of Kaua'i, if we can approve this Charter Amendment, will have the choice to say whether that eighth place finisher should be automatically given that next slot if it happens again, which is likely. Like I said, it happened twice in two terms. I will be supporting this. Thank you.

Mr. Chock: Councilmember Hooser.

Mr. Hooser: I am going to waiting for the public hearing to have a definitive position and until I hear the input from the people in the community. I am inclined, at this point, to question the value of this. It kind of relates to prior discussions we have on the other charter amendments. This would not have been here today if not— just like the Cost Control Commission, there was one particular incident that some of us were not happy with and so now we are going to put a charter amendment to make it different. That is the only reason this Charter Amendment is here is because of that and I have an issue with that. I think that like the golf course fee, this is a Council giving up its authority; giving up its political liability, if you would, trying to give it to somebody else to follow. The Charter gives us the authority and the responsibility to make these decisions and I do not think we should give up that authority and responsibility to make that decision. I do not think it is the right thing to do. We do not know what the future might bring. We might have a number eight candidate that is very well-qualified

and we might have a number eight qualifier who does not even live here anymore. That person may have left. That person could be in jail or sick. We do not know the situation, so to automatically say that the number eight person is going to get that position, I think is not good decision-making for the Council. It could be a year or more since the election and the circumstances could change completely. I believe that the Council, as the Charter says now, should make that selection. At often times, but not always, the number eight is selected. I think we need to retain that responsibility. Again, I know there is going to be public testimony and there are lots of other arguments and issues to be presented so I am going listen to those. Thank you.

Mr. Chock:

Councilmember Rapozo.

Mr. Rapozo: Thank you, Mr. Chair. The reason the Resolution is here today is because of the overwhelming request from the community that I had received. If you look, it is co-introduced by the Chair because he had received numerous— and the Chair did not support the number eighth person for the appointment, but he had received numerous inquiries from the community as well. The community will decide and I kind of share Mr. Hooser's comments about the public hearing. I think I know what I will hear because of what I have already heard, but we will see how that process goes. As far as the guy who is in jail, sick, or gone, our Staff is smart enough to cover that in the Resolution. It says, "If the candidate is not willing or not qualified to except the appointment, the candidate will receive the next highest number of votes," which the ninth place would be the one. It is not so much taking away the Council's authority, but it is putting the authority into the voters who already voted. They pick who they felt should have been— trust me; if you ask some of the members of the community, they will say that some of seven (7) are not qualified for this job, but we are just more popular than others, so I think regardless of where the numbers fall and where each candidate falls, that is set by the voters. Like in a case, Mr. Hooser, you bring up about the prior one. No, we have taken our authority and given it to the Mayor. I would never support a Resolution saying that we will let the Mayor choose number eight. Never. But I can let the people pick number eight and the people, as they say, have spoken when the ballots are counted and that is the number that I believe... that is the person that should be in. Mason is a great example of going outside of the eighth person. He is a great Councilmember. He is a quick thinker. By golly, he is the Vice Chair. But it has nothing do with Mason or the appointment. It is simply because the public said, "Mel, why did you guys not go with number eight?" "Well, because the Charter says so." That is why it is here. I will respect the will of the people. If the support from the community is that they want to keep it with the Council, I have no problem voting against my own Resolution. I really do not. For me, it is here because the people asked. Thank you.

Mr. Chock: anything that you wanted to add?

Councilmember Yukimura, did you have

Ms. Yukimura: Thank you. I will be waiting for the public hearing, but I also feel that the people have spoken by putting this in the Charter.

Mr. Chock: My comments are that in general, at least right now, I actually am supportive and I would like to listen to what the community has to say about it and I support it for the purpose of keeping it in voters' hands. It does bring up some questions for me. It is probably not going to be

addressed this Resolution, but in terms of qualifications, I am not sure if we really have qualifications or standards that we are looking at and we need to. That is something that we should look at in the Elections Divisions. The other thing that I will be looking at a little more intimately— again, I do not have an answer, but we talk about majority elections and the fifty percent (50%) of the voters plus one (1)— I think that if they have nine (9) people on the ballot and then one (1) person who is number nine who perhaps gets a very small percentage of the total voters, that is not really speaking to me that is the voters' choice. So if there is a way for us to look at least qualifying that number eight position or number nine position; that is what I would like for because if not, then I prefer to go to where we have a stronger voice or even a special election if needed to get the best candidate. That is the outcome we are looking for; the best candidate. With that, I do not think we need a roll call on this. We are going to refer this.

The motion that Resolution No. 2014-36 on first reading be ordered to print, that a public hearing thereon be scheduled for July 9, 2014, and that it thereafter be referred to the July 23, 2014 Council Meeting was then put, and carried by a vote of 5:0:2:0 (*Mr. Bynum and Chair Furfaro were excused*).

BILL FOR SECOND READING:

Bill No. 2544 – A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. B-2013-753, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2013 THROUGH JUNE 30, 2014, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND (*Office of Economic Development, Wages and Hourly Pay – Ka Aha Hula O Halauola Conference Assistant – \$12,000*): Mr. Kagawa moved for adoption of Bill No. 2544 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Mr. Rapozo.

Mr. Chock: I believe we have an amendment from Councilmember Rapozo.

Mr. Rapozo: Yes, I have an amendment and this would basically replace the line that puts it as a County's eighty-nine (89) day contract hire and changes it to a grant for "Other Services" to Ka Aha Hula O Halauola Conference. This would give the agency, the nonprofit, the ability to retain the services that they need and not another County eighty-nine (89) day contract. It just changes the line item from "001-0901-512.01-02" to "001-0901-512.30-00."

Mr. Rapozo moved to amend Bill No. 2544 as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 1, seconded by Ms. Yukimura.

Mr. Chock: Discussion?

Mr. Kagawa: I have a question for the maker. Will this take out the County's role from hiring this person? Would the *hula* people be able to hire who they want instead of the County getting involved?

Mr. Rapozo: Yes.

Mr. Kagawa: Okay. That is good with me. Thank you.

Mr. Chock: Any other questions?

Ms. Yukimura: I just want to thank Councilmember Rapozo for making this amendment. I think it makes it much more workable. They can get started faster, so all of this is good. Thank you.

Mr. Chock: Thank you. Would anyone from the public like to testify on this item? Seeing none, further discussion? This is a Bill for second reading. We have to act on the amendment.

Ms. Yukimura: There is a motion.

Mr. Chock: We are going to vote on the amendment first.

The motion to amend Bill No. 2544 as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 1 was then put, and carried by the following vote:

FOR AMENDMENT:	Chock, Hooser, Kagawa, Rapozo, Yukimura	TOTAL – 5,
AGAINST AMENDMENT:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Bynum, Furfaro	TOTAL – 2,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Mr. Chock: Now, let us vote on the main motion here.
Roll call vote, please.

The motion for adoption of Bill No. 2544, as amended to Bill No. 2544, Draft 1, on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Rapozo, Yukimura	TOTAL – 5,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Bynum, Furfaro	TOTAL – 2,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Mr. Chock: I have a signal for a tape change here, but we have just one more item. B.C., can we just go for it? Okay, let us do it. Next item, please.

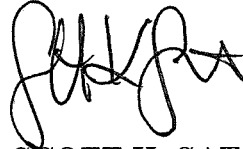
Mr. Rapozo: We are done.

Mr. Chock: Okay. We are done. This meeting is adjourned. Thank you everyone.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 2:37 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Scott K. Sato', with a stylized flourish at the end.

SCOTT K. SATO
Council Services Review Officer

:cy

(June 10, 2014)

FLOOR AMENDMENT

Bill No. 2544, A Bill For An Ordinance Amending Ordinance No. B-2013-753, As Amended, Relating To The Operating Budget Of The County of Kaua'i, State of Hawai'i, For The Fiscal Year July 1, 2013 Through June 30, 2014, By Revising The Amounts Estimated In The General Fund

Introduced by: MEL RAPOZO

Amend Bill No. 2544, Section 1, in its entirety to read as follows:

"SECTION 1. That pursuant to Sec. 19.07B and 19.10A of the Charter of the County of Kaua'i, as amended, Ordinance No. B-2013-753, as amended, relating to the Operating Budget of the County of Kaua'i, State of Hawai'i, for the Fiscal Year July 1, 2013 through June 30, 2014, be hereby amended as follows:

The sum of \$12,000.00 by revising the amounts estimated in the General Fund from the following account:

001-0000-271.00-00	Equity / Fund Balance – Unassigned	(\$12,000.00)
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Be and is hereby appropriated as follows:

[001-0901-512.01-02	Office of Economic Development	\$12,000.00
	Wages and Hourly Pay, 89-Day Contract Hire	
	Ka Aha Hula O Halauola Conference Assistant]	

<u>001-0901-512.30-00</u>	<u>Office of Economic Development</u>	<u>\$12,000.00</u>
	<u>Other Services</u>	
	<u>Ka Aha Hula O Halauola Conference"</u>	

(Material to be deleted is bracketed. New material to be added is underscored.)
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